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STATEMENT ISSUED AT IDEOLOGICAL CONFERENCE

LD202001 East Berlin ADN International Service in German 1619 GMT 20 Dec 85

["Statement" issued at conclusion of Bucharest conference of secretaries for international and ideological matters of Central Committees of communist and workers' parties of socialist countries]

[Text] Bucharest, 20 Dec (ADN) -- A regular consultation of the secretaries for international and ideological questions of the central committees of communist and workers' parties of socialist workers took place from 19-20 December. Those participating from the Bulgarian Communist Party were Milko Balev, member of the Politburo and secretary of the Central Committee, Mimitur Stanishev, Central Committee secretary, and Stoyan Mikhaylov, Central Committee secretary; from the Hungarian Socialist Workers' Party, Janos Berecz, Central Committee secretary, Matyas Szuros, Central Committee secretary, and Lenard Pal, Central Committee secretary; from the SRV Communist Party Hoang Tung, Central Committee secretary; from the Socialist Unity Party of Germany, Kurt Hager, member of the Politburo and secretary of the Central Committee, and Joachim Herrmann, member of the Politburo and secretary of the Central Committee; from the Cuban Communist Party, Lionel Soto, member of the Central Committee Secretariat; from the Lao People's Revolutionary Party, Saman Vignaket, Central Committee secretary; from the Mongolian People's Revolutionary Party, Tserendashiyn Namsray, member of the Politburo and secretary of the Central Committee, Tserenpiliyn Balhaajab, Central Committee secretary; from the Polish United Workers' Party, Jozef Czyrek, member of the Politburo and secretary of the Central Committee, and Jan Glowczyk, candidate member of the Politburo and secretary of the Central Committee; from the Romanian Communist Party, Miu Dobrescu, member of the Political Executive Committee and chairman of the Central Party Collegium, Petru Enache, candidate member of the Political Executive Committee and secretary of the Central Committee, Cornel Pacoste, candidate member of the Political Executive Committee and secretary of the Central Committee, and Ion Stoian, candidate member of the Political Executive Committee and secretary of the Central Committee; from the USSR Communist Party, Boris Ponomarev, candidate member of the Politburo and secretary of the Central Committee, and Mikhail Zimyanin, Central Committee secretary; from the Czechoslovak Communist Party Vasil Bilak, member of the Presidium and secretary of the Central Committee, Jan Fojtik, candidate member of the Presidium and secretary of the Central Committee, and Josef Havlin, secretary of the Central Committee.

In addition, department heads, deputy department heads, and other responsible workers of the parties' central committees participated.

An exchange of ideas on current questions of political-ideological work took place in connection with the joint struggle for peace and disarmament, above all in the nuclear field, and for strengthening international security and cooperation.

In view of the extraordinary danger caused by the incessant arms race, the consultation's participants underlined the necessity of acting immediately to unite the peace-loving, political and social forces in the struggle against imperialism's aggressive policy, for effective disarmament measures, above all in the case of nuclear weapons, and for safeguarding the peoples' basic rights, specifically, the right to life and to free and independent development.

The consultation's participants stressed their parties and countries' determination to collaborate closely with other states, with the communist and workers' parties, with socialist and social democratic parties, with the antiwar movements of different political, social, ideological, and religious orientations, and with all peace-loving and realistically minded forces in the struggle to end the arms race, to remove nuclear arms from earth and to prevent the militarization of space, and to create a climate of security, mutual trust, and comprehensive international cooperation.

It was stressed that the documents issued at the Sofia session of the Political Consultative Committee of the Warsaw Pact's participant states, and the collective evaluations and final conclusions reached at the Prague meeting of those states' highest representatives, are renewed proof of the socialist countries' responsible attitude toward the cause of peace, and of their resolve to avoid a devastating nuclear war and return to the policy of detente and cooperation.

The further elucidation and realization of the initiatives contained in the Sofia declaration and of other proposals expanded by the socialist countries attains special significance, as they are directed at averting nuclear danger, reducing armaments and military expenditure, consolidating security, regulating regional conflicts, and bringing about a change for the better in Europe and throughout the world.

The fraternal parties' representatives emphasized that more favorable conditions have been created as a result of the Soviet-U.S. summit meeting for ameliorating the international atmosphere and for continuing negotiations on nuclear and space armament questions. Although it was not possible to solve concrete problems of limiting and reducing arms in Geneva, the statements contained in the joint declaration are of prime importance in that a nuclear war must not be allowed, that neither side will strive for military superiority, and that it is necessary to continue political dialogue to attain positive changes in international relations.

The current objective is to undertake greater efforts to realize the principled accords and to achieve mutually acceptable agreements at an early date which will open up the path toward nuclear disarmament and the safeguarding of peace in accord with the peoples' expectations and vital interests.

The deliberation's participants expressed their conviction that the socialist countries and other revolutionary, progressive, and democratic forces acting in concert, will be able to avert the dangerous development and implement a policy of peace, detente, disarmament, and international cooperation on the basis of the principles of peaceful coexistence, as well as safeguard the realization of the ideals of freedom, independence, and progress for the benefit of all peoples.

While discussing further international problems, the participants paid special attention to the task of peacefully solving conflicts and contentious issues which exist between the states through negotiations.

Under the present conditions, when questions regarding food and energy supplies, environmental preservation, and other problems affecting mankind are being increasingly exacerbated, when poverty, hunger, and illiteracy continue to prevail in whole regions of the globe, and foreign debts of many countries, especially the poorly developed ones, grow, there arises the still more urgent task to set up a New International Economic Order and to overcome underdevelopment. The conference participants again affirmed their parties and peoples' solidarity with all revolutionary and progressive forces, with the peoples who have to fend off direct imperialist aggression, pressure, and threat, above all U.S. aggression, with all those fighting colonialism, neocolonialism, and racism, and with those against a policy of hegemony and oppression, for national and social liberation, and for independent development on the path towards progress.

An important task is to propagate actively the revolutionary achievements and the outstanding successes of the socialist countries and peoples of all areas.

This especially applies to safeguarding the material preconditions and comprehensive democratic scope for the true realization of the fundamental rights and freedoms of the peoples, above all, the right to work and social security, for the participation of the masses in managing society and for the overall development of the individual personality.

The fraternal parties again firmly resolved to repeal any attempts at disparaging the realities in the socialist countries and to interfere in their internal affairs under the guise of defending human rights.

It is in the interest of peace and all peoples to not permit ideological differences to affect interstate relations.

The parties represented at the deliberation will continue to oppose imperialist propaganda aimed at war and enmity between the peoples, and to fight ideological sabotage vis-a-vis revolutionary and progressive forces.

The need was stressed to increase the politico-ideological and propaganda work against growing attempts by imperialist and reactionary circles of reviving fascism, neofascism, and revanchism. Any nationalistic, chauvinistic, and racist conceptions and activities are to be opposed as they sow enmity, weaken security and trust, and impair the understanding and links between the peoples as well as the normal development of international life.

The participants exchanged experiences of politico-ideological and propaganda work accomplished by each party for the revolutionary education of the young to enable them to participate creatively with increasingly greater activities in the development of socialism in all areas of material and cultural life and in the management of social affairs.

It was underlined in this connection that the socialist countries aim to ensure that the young adopt a Marxist-Leninist ideology, master the latest scientific and technological achievements, and are educated through work and for work in the spirit of unshakeable loyalty towards party and state, a great sense of responsibility for the cause of socialism and communism, of peace and international friendship, and on intransigence towards hostile ideologies. The parties at the deliberation see young people's active cooperation in socialist development, in realistic ideological work, and in raising the effectiveness and influence of the youth organizations and their international cooperation as the most effective means for the patriotic and internationalist education of the young generation.

Those parties represented are determined to consolidate their relations of friendship and cooperation and to work for an expansion of socialist cooperation in all areas. The need was underlined to give new dimensions to the CEMA countries' economic cooperation in the spirit of the resolutions adopted at the economic session at the highest level last June, and to fully explain the significance of the complex program of scientific-technological progress. The realization of the tasks and long-term program of collaboration and cooperation agreed upon will ensure the increasingly comprehensive utilization of the potentials present within socialist countries, and contribute to an acceleration of their economic and social progress as well as to a growth of the attractiveness of and regard for socialism throughout the world.

The deliberation took place in a businesslike atmosphere, in the spirit of friendship and of comradely and mutual agreement.

POWER, LIVESTOCK OFFICIALS DISCIPLINED

Control Committees Meet

AU241158 Sofia Domestic Service in Bulgarian 1000 GMT 24 Dec 85

[Text] In Sofia a session of the Committee for State and People's Control is being held, in which members of the Control Coordination Council and chairmen of the okrug committees for state and people's control are taking part.

The session is discussing the uniform agreed plan for the activity of the State and People's Control Committee and the organs from the national control system for the first 6 months of next year. The plan provides for control activity to be aimed mainly at the implementation of the basic tasks for the social-economic development of the country during this period, on the basis of the practical application of the achievements of the scientific-technical revolution. There is to be more systematic control on the implementation of the governmental documents for the development of the power industry, the reduction of material expenditures, the timely and high-quality completion of construction projects, the organization of the balance and the [word indistinct] of the basic production funds, the ensuring of goods for the home market, and so forth.

The session is also examining the results of the control carried out on supplies for the country, the check of the fulfillment of the plan for the purchase of livestock production, and the results of the measures taken to ensure the planned numbers of livestock for 1985 and 1986.

'Disciplinary Punishments' Announced

LD251723 Belgrade TANJUG in English 1632 GMT 25 Dec 85

[Test] Sofia, Dec 25 (TANJUG) -- Organs of state and people's control in nine Bulgarian districts have applied disciplinary punishments to more than 60 executives for failing to implement the government's energy-saving order and served "warnings" on three deputy-presidents of the Bulgarian agricultural-industrial union for serious negligence in the development of livestock raising.

The control organs announced today that shortfalls had been recorded both in power generation, and in implementing an economy programme in the consumption of electricity and other kinds of energy.

The announcement said that many power plants still did not stabilize production and that major shortfalls were recorded in the production of coal for power generation and the market.

The three deputy-presidents of the agricultural-industrial union -- Ivan Tonev, Stamen Vatsov and Georgiu Manov -- were instructed to introduce at once the additional measures to improve the "disturbing situation in livestock raising."

The control organs have established that the livestock and products purchase plan was not being implemented and the necessary measures for livestock feeding during winter were not being taken. They also uncovered large-scale black-market transactions with cattle food, which is already in short supply in the market.

WINTER, USSR PRESSURE AFFECT ECONOMY DECISIONS

AU241207 Vienna DIE PRESSE in German 24 Dec 85 p 9

[Special DIE PRESSE report]

[Text] Vienna -- The prospect of a second harsh winter and the evident strain in the Bulgarian relations with Moscow are forcing Bulgaria to make some weighty decisions even before the beginning of new 1986-1990 5-year-plan period. The fear that the energy catastrophe might repeat itself has caused the responsible authorities in Sofia to initiate measures in time in order to be able to cope with the energy problem, because electrical energy as well as water are in short supply according to the latest edition of the EAST ECONOMY REPORT technical magazine published by the Business International Institute.

Currently, the Bulgarian Government's main concern is the energy sector -- although this is by no means the only problem facing the Balkan country. In agriculture, too, there are serious problems. And yet, the Bulgarians have always been proud that, apart from Hungary, they were the only CEMA country which did not neglect the development of its agricultural production in favor of industry during the 1960's and 1970's.

The drought over the past 2 years has been raising doubts about whether the Bulgarian agricultural sector will be able to manage without further massive investments in the future. In addition to creating sufficient water reserves, new cultivation and irrigation methods would have to be applied. This year's grain harvest is estimated at 7.9 million metric tons, while in the 1984 record year, harvest yield amounted to about 9.3 million metric tons. Therefore, this year Bulgaria will not be able to meet its own demand and according to State Council Chairman Todor Zhivkov it will have to import grain from the West.

Of even greater importance, however, seems to be the unconcealed pressure of the Soviets on Bulgaria to modernize industrial production and to raise the quality of products -- at least those products which Bulgaria delivers to the USSR in exchange for raw materials such as coal, crude oil, and ores. During his short state visit after the Warsaw Pact summit, Soviet party leader Mikhail Gorbachev publicly criticized, in harsh terms, the inferior quality of Bulgarian exports to the USSR.

Also, the effectiveness of the New Economic Mechanism, the reform plan which was introduced in 1982, is already being publicly questioned. The plan is supposed to simplify bureaucratic dealings and give Bulgarian enterprises more freedom in deciding on production process, production targets, and their fulfillment, the EAST ECONOMY REPORT continues.

Bulgarian industrial production has indeed increased, but some aims of the reform program, such as greater freedom in planning, are still far out of reach. While at the beginning of the reform decentralization increased strongly, now more and more sectors are again subjected to central planning. And after Gorbachev's critical remarks the government has withdrawn the original draft of the 5-year plan for review.

RABOTNICHESKO DELO TO STRESS SCI-TECH IN 1986

AU161657 [Editorial Report] Sofia RABOTNICHESKO DELO in Bulgarian on 16 December 1985 carries on page 1 a 3,500-word editorial by the RABOTNICHESKO DELO editorial board introducing a new rubric, "Man in the Scientific-Technical Revolution," which will be "the main subject of RABOTNICHESKO DELO in 1986," as the subtitle under the rubric explains. The RABOTNICHESKO DELO editorial begins with the following passage:

"Only half a month separates us from the first day of 1986. Every collective is devoting its efforts to worthily complete the Eighth 5-Year Plan period and to prepare for a positive beginning of the Ninth 5-Year-Plan period. Every collective and every individual worker is evaluating his work and sincerely accounting for his own achievements, as well as for his shortcomings, awaiting the forthcoming period with interest and hopes."

The editorial further cites Todor Zhivkov's statements on the "implementation of the scientific-technical revolution in building a developed socialist society" and states that "The scientific-technical revolution is becoming the chief sector of man's self-realization and the chief factor of our individual development." The editorial adds that: "The scientific-technical revolution cannot be accomplished without an adequate revolution in the awareness and actions of the individual, of the collective, and of the nation as a whole."

The editorial states that the "main thing is that we should be aware of the necessity of a drastic change" and of the requirement for "exceptionally strict organization, discipline, order, and confidence in the cadres." It adds that "The scientific-technical revolution will not be and cannot be the cause of a governing elite. It is the cause of millions of people, it is their fate, and it is placed into the hands of millions of people."

The editorial further explains that the "main subject of the year" -- "Man in the Scientific-Technical Revolution" -- will not be a one-time initiative that will periodically appear on a certain page of the daily, but will encompass "numerous articles, feature stories, correspondents' reports and commentaries," whose number will be unlimited and which will appear on various pages of the newspaper. The RABOTNICHESKO DELO editorial board then addresses its readers, "workers, agricultural toilers, scientists, and cultural figures, educational experts, managers and implementors, engineers, economic experts, public figures, young boys and girls," stressing that "the pages of RABOTNICHESKO DELO are open to you; to your opinions, signals, proposals, ideals; to your experience and wisdom." The editorial board urges RABOTNICHESKO DELO readers to "share their thoughts and ideas, connected with the chief subject of the daily in 1986."

DANUBE PROTECTION STATUTE SIGNED WITH ROMANIA

AU232146 Bucharest SCINTEIA in Romanian 21 Dec 85 p 6

[Text] The statute of the Commission for Cooperation between the SR of Romania and the People's Republic of Bulgaria for protecting the Danube River's environment has been signed in Sofia.

PARTICIPATION IN USSR BUILDING PROJECTS OUTLINED

AU191722 [Editorial Report] Prague RUDE PRAVO in Czech on 17 December 1985 carries on page 6 an 1,800-word interview given by Karel Zavazal, CSSR deputy minister of fuels and power, to Vladimir Divis, entitled "Before the Start of the Progress Gas Pipeline." The interview, the place and date of which are not specified, reveals details on the Czechoslovak-Soviet agreements signed in Moscow the preceding day, concerning Czechoslovak participation in the exploitation of the Yamburg natural gas deposit in West Siberia, the construction of the long-distance "Progress" gas pipeline leading from Yamburg to the western frontiers of the Soviet Union, and the construction of the "Uralsk Gas Complex" at Karachaganak in the Caspian lowlands, in the Kazakh SSR. Czechoslovak participation in Soviet investment projects in the next 5-year period is also the subject of a 900-word interview given by Miloslav Svoboda, deputy chief of the Czechoslovak Trade Mission in the USSR in charge of construction, to Karol Hederling, published by Bratislava PRAVDA in Slovak on 17 December, on page 6.

In the RUDE PRAVO interview, Zavazal says that Czechoslovakia will account for about 19 percent of the total costs of the "Progress" gas pipeline and the exploitation of the Yamburg natural gas deposit. In return, he says, "we are obtaining the preferential right for natural gas deliveries for a period of 20 years. In keeping with the agreement, our purchases from Soviet partners will start in the second half of the Eighth 5-Year Plan period, when we will receive the first billions of cubic meters of natural gas in excess of existing agreements. In subsequent years, Soviet deliveries will gradually increase, until this increase reaches the agreed level of 5 billion cubic meters of natural gas [a year]. In other words, until at least the year 2010 we have guaranteed regular and, what is even more important, increased deliveries of this precious and ecologically pure fuel and raw material for our chemical industry."

According to Zavazal, Czechoslovakia's involvement will consist of the construction of a 360-kilometer section of the 4,607 km-long "Progress" gas pipeline to the east of the Czechoslovak-Soviet border, and of the delivery of eight compressor stations, each of them with three 25-megawatt units. Two of these compressor stations are to be built on the "Progress" gas pipeline itself -- at Bar and Bogorodchane in the Carpathians -- with the remaining 6 compressor stations to be built in the Tula and Volga regions (as part of the Tula-2 and Yamburg-Volga gas pipelines). Zavazal emphasizes the difficulty of meeting the deadlines stipulated in the agreement, as the first two compressor stations and the 360-km section of the gas pipeline are to be completed by mid-1988.

In addition, Czechoslovakia will also help to build the "Uralsk Gas Complex" at Karachaganak in the Kazakh SSR. Here, it will "participate in the construction of industrial bases for extracting natural gas and in housing construction and build repair plants for Tatra trucks and a number of other facilities for Soviet gas and oil industry workers." The volume of work and deliveries for the "Uralsk Gas Complex" is reportedly "roughly the same" as that of Czechoslovak participation in the "Progress" gas pipeline. Furthermore, according to Zavazal, between 1988 and 1990 Czechoslovakia will also build a 220-km section of a gas pipeline in the Tula region, which is to be part of the gas pipeline linking West Siberia with the European part of the USSR.

Asked to compare the tasks arising for Czechoslovakia from the agreements signed in Moscow with the volume of building work carried out by Czechoslovak organizations on the "Soyuz" gas pipeline in the second half of the seventies, Zavazal says that the present tasks "undeniably represent the hitherto biggest export task in the history of our building industry" and that Czechoslovak participation "will exceed about 4 times" its involvement in the "Soyuz" gas pipeline.

For the first time in its history, the Czechoslovak construction sector will thus become a "major export branch." Although the number of Czechoslovak employees in the Soviet Union will vary according to need, Zavazal estimates that about 12,000 Czechoslovak workers, technicians, engineers, and other staff will "take immediate part in the fulfillment of the aforementioned export tasks." The first crews are to depart for the Soviet Union at the beginning of 1986; the construction of the Czechoslovak section of the gas pipeline itself will start in April 1986. The workers will reportedly work 9 hours a day, 6 days a week, in 16 or 26-week cycles. Then, in addition to their regular annual leave, they will be able to opt for compensatory leave and spend 3 or 5 weeks at home, depending on the duration of their workcycle.

In his undated interview with Bratislava PRAVDA Moscow correspondent Karol Hederling, published by Bratislava PRAVDA on 17 December, Miloslav Svodoba provides some additional information on Czechoslovak participation in capital investments projects in the Soviet Union in the next 5-year period.

Speaking about Czechoslovak participation in the "Progress" gas pipeline, Svodoba says that the CSSR's share in the project is about R2 billion, of which building and assembly work accounts for R895 million and deliveries of machinery, equipment, materials and other goods for R740 million. After the completion of the gas pipeline in 1989, Czechoslovakia will reportedly receive 1.2 billion cubic meters of natural gas in excess of the agreed amount and in addition to the natural gas which it receives as a fee for the transit of Soviet natural gas to other countries. In 1990 these extra deliveries will increase to 2.5 billion cubic meters of natural gas and by 1995 they will reach the planned annual level of 5 billion cubic meters. According to Svoboda, "This annual volume will be maintained for the subsequent 10 years. As a countervalue, we will export to the USSR merchandise, the nature of which will be agreed by the appropriate agencies during the coordination of plans."

Moving on to other investment projects to be carried out by Czechoslovakia in the USSR in the years to come, Svoboda says that between 1987 and 1990 Czechoslovak organizations will expand the repair plant at Kamyshin in the Volgograd region and build a similar repair plant at Uzhgorod in the Ukraine. In addition, they will also build 300 apartments at Kamyshin and 600 at Uzhgorod, along with some other public facilities.

In concluding, Svoboda reports on Czechoslovak participation in the construction of the Krivoy Rog iron ore combine. He says that Czechoslovakia's share is 13.7 percent of the total volume of the project, of which building and assembly work and deliveries of equipment represent more than R400 million. Czechoslovakia will reportedly build at Krivoy Rog the "magnetic separation hall and other industrial, housing, and social facilities. As regards technological equipment, the most important will be the deliveries of electromagnetic separators, which will be produced in Spisska Nova Ves according to Soviet documentation." Svoboda says that about 220 Czechoslovak employees are currently working in Krivoy Rog, but that within 2 years, when construction will be completed, some 4,000 Czechoslovak building workers are expected to be employed there.

STROUGAL RECEIVES, TALKS WITH SOVIET AMBASSADOR

LD241417 Prague Domestic Service in Czech and Slovak 1300 GMT 24 Dec 85

[Text] Lubomir Strougal, federal prime minister, received Soviet Ambassador to Czechoslovakia Victor Lomakin in Prague today. The subject of their discussions was some questions connected with the implementation of the program for long-range economic, scientific, and technological cooperation bewteen Czechoslovakia and the Soviet Union for the period up to the year 2000.

TRADE EXCHANGE PROTOCOL SIGNED WITH PRC

LD241423 East Berlin ADN International Service in German 1312 GMT 24 Dec 85

[Text] Berlin, 24 Dec (ADN) -- A protocol on the exchange of goods and payments for 1986 between the GDR and China was signed in Berlin on Tuesday [23 December]. It expresses both sides' interest in significantly developing trade relations for mutual gain and provides for a growing foreign trade turnover on the basis of the long-term trade agreement for 1986-1990.

The GDR will mainly deliver machinery and plant which are of importance for China's further industrial development. This includes machine tools, copying [polygraphische] and textiles machinery, heavy goods vehicles and combine harvesters, medical and scientific apparatus and equipment for the production of foodstuffs and semiluxury foods. Potassium chloride, soda ash, urea, and steel products are further important export goods.

The GDR will receive increased quantities of finished products from the textiles industry as well as chemical products and agricultural products such as corn, rice, cotton, soya beans and soya meal.

For the first time, deliveries and services coming from contracts on cooperation in selected areas of mechanical engineering and electronics were agreed upon on a large scale.

Horst Soelle, GDR minister of foreign trade, received the head of the Chinese delegation, Wang Pinqing, deputy to the minister of foreign economic relations and trade, for a friendly talk. At this, both sides expressed their interest in promoting export and import relations through the conclusion of long-term contracts on deliveries and services and in giving the goods structure a varied shape.

NATO CIRCLES AWAIT U.S. ANSWER TO USSR PROPOSALS

LD172054 East Berlin ADN International Service in German 1727 GMT 17 Dec 85

["Political Circles in Brussels Talk of New USSR Initiative for Nuclear Test Ban -- by ADN correspondent Ralf Klingsieck" -- ADN heading]

[Text] Brussels, 17 Dec (ADN) -- In connection with the visit by U.S. Secretary of State Shultz to some European countries -- among them the FRG, the Socialist Republic of Romania, the Hungarian People's Republic, and the SFRY -- political circles here are wondering whether Shultz spoke about the U.S. position regarding the most recent proposals by the Soviet Union to President Ronald Reagan that neither side carry out further nuclear explosions. These circles are particularly interested in an answer to this proposal because the Soviet Union, as is known, introduced a unilateral moratorium on all nuclear explosions from 6 August of this year in an effort to solve the problem of ending nuclear-weapons tests, and is adhering to it. It is being pointed out that this moratorium runs out on 1 January 1986.

The quoted circles in the Belgian capital recall that the USSR has approached the U.S. Administration several times with the demand to end nuclear explosions on a mutual basis. The Soviet side has declared its readiness, as is known, to continue a ban on nuclear explosions on a mutual basis after the end of the period of its unilateral moratorium. It is observed that so far the reaction by the American side to this demand has been negative.

In this connection it is reported here that the Soviet Union again officially approached Washington in early December with the demand to consider this question carefully once more and to regard it in the greater political context.

The Soviet Union assumed that there were no objective obstacles to the USSR's and the United States' jointly stopping nuclear-arms testing. Fundamentally both sides are in the same position in this area.

In these most recent contacts, the Soviet Union is said to have devoted special attention to the issue of verification, since the United States repeatedly speaks of difficulties in this matter. It has been emphasized that the fact that both the USSR and the United States have very modern equipment at their disposal for reliable verification of nuclear explosions, both for military and for peaceful purposes, would be an additional guarantee that both sides could be assured of the moratorium being adhered to. The Soviet Union has already done that.

As has become known here with reference to this issue, the Soviet Union sees verification as a soluble problem if there is agreement on the main question. But it is prepared, for example to take up the proposal of the six signatories to the Delhi Declaration -- Argentina, Greece, India, Mexico, Tanzania, and Sweden -- about the creation of verification mechanisms on its territory if doubts remain on the question of verification. Observers here also refer to Mikhail Gorbachev's most recent speech to the Supreme Soviet where the Soviet Union's positive attitude to this was stated.

There is talk in the always well-informed political circles of NATO representatives in the Belgian capital that the Soviet Union has presented the United States with another new, important initiative. According to their information, the proposal was made to Washington that with the introduction of a bilateral moratorium on nuclear explosions it should simultaneously be agreed that reciprocally, on request, observers from both sides be given the opportunity to visit places where ambiguous events have happened. In this way doubts could be removed as to whether such events are connected with nuclear explosions. Thus the question of a bilateral moratorium on nuclear explosions could be solved in a practical manner.

Finally, there is talk here of a further proposal. The Soviet side is said to have made the proposal to resume the trilateral negotiations between the USSR, the United States, and Great Britain about a general and complete ban of nuclear weapons tests in January of next year. Geneva has been named as a possible place for these negotiations.

All these initiatives and thoughts have been received with great attention in the Belgian capital, the seat of numerous Western European institutions. The reaction of the U.S. Administration is awaited here with intense interest. After all, the fact that on 1 January the period of the Soviet Union's unilateral moritorium on nuclear tests runs out should provoke a positive response from the Washington administration to prevent nuclear tests in future in accordance with world public opinion.

CIA BEAMS PROPAGANDA TO DRA FROM MUNICH

AU171224 East Berlin NEUES DEUTSCHLAND in German 14-15 Dec 85 p 6

[Report by NEUES DEUTSCHLAND Southeast Asia correspondent Dr Karl-Heinz Werner: "Counterrevolutionary Baiting Against Afghanistan Intensified: CIA Organizes Propaganda Apparatus of the Terror Gangs"]

[Text] For a short time Radio Free Afghanistan has been beaming its programs into the country on the Hindu Kush. The declared objective of the baiting transmitter, which is located in Munich, is to transmit news and information to the "Afghan resistance" -- that is, the counterrevolutionaries. In other words, the transmitter wants to massively interfere in the internal affairs of the Democratic Republic of Afghanistan [DRA].

With two programs weekly, in both Pushtu and Dari, the two main languages of Afghanistan, it is planned by means of distortion of facts, slanders, and brazen lies to sow discord between the nationalities and tribes on the Hindu Kush and thus wreck the peaceful construction.

Like Radio Free Europe and Radio Liberty the new imperialist mouthpiece is operated by the CIA and to a considerable extent financed by it. The baiting programs are part of a large-scale offensive launched in recent weeks by Western propaganda centers against Revolutionary Afghanistan. Now the responsible U.S. Congressional subcommittee has decided to allocate another 250 million as "Covert military aid" for the gangs that are controlled from abroad and are raging on Afghan territory. To do this, according to Indian press reports, large quantities of ammunition, light weapons, mortars and portable antiaircraft missiles have been purchased. In addition, the CIA plans to train on a large scale Afghan journalists, who are to assume those tasks for which, evidently, it is getting more difficult to find Western journalists. These "frontline reports" repeatedly penetrated the Democratic Republic of Afghanistan after actions by terror gangs in which some of them were arrested.

KESSLER RECEIVES CHIEF OF BULGARIAN BORDER TROOPS

AU171244 East Berlin NEUES DEUTSCHLAND in German 14-15 Dec 85 p 2

[Text] Berlin (ADN) -- On Friday [13 December] Army General Heinz Kessler, GDR minister of national defense, received for friendly talks Lieutnant General Stefan Zanov, chief of the Bulgarian border troops, who headed a delegation on a visit of several days to the GDR border troops for an exchange of experience. The defense minister briefed the guest about the initiatives and activities carried out by the Army members and border soldiers in honor of the 11th SED Congress in reliably protecting peace and socialism. He valued the visit as useful for further deepening the friendship and cooperation between the border troops of the two fraternal countries.

Participating in the meeting at the Defense Ministry was Lieutnant General Klaus Dieter Baumgarten, deputy minister of national defense and chief of the GDR border troops. The delegation from the Bulgarian People's Republic visited GDR border troop units.

REPORTAGE ON HERMANN AXEN'S VISIT TO INDIA

Talks With Rajiv Gandhi

LD231336 East Berlin ADN International Service in German 1155 GMT 23 Dec 85

[Text] Delhi 23 Dec (ADN) -- India's Prime Minister Rajiv Gandhi and SED Politburo Member Hermann Axen have spoken in favor of intensifying efforts to remove the danger of nuclear war and to return to detente. During a friendly meeting in Delhi on Monday [23 December], they both stressed that a pressing task here was to end the nuclear arms race on earth and prevent the militarization of space.

The partners in the talk assessed the meeting between the highest representatives of the USSR and the United States in Geneva as a positive development affecting the international climate. They agreed that it is now important to attain further progress on the path of substantive agreements and to make peace more secure.

Both politicians agreed that India's efforts for good-neighbor relations with other states and its support for the solution of existing problems through negotiations contributes toward guaranteeing peace and security in Asia.

Gandhi and Axen noted with satisfaction that the extensive degree of agreement between the GDR and India on basic policies concerning international issues and the traditionally good cooperation are a solid foundation for coliaboration between the two states in the preservation of peace. In the course of the warm, friendly discussion, the two politicians paid tribute to the high level of bilateral relations and discussed the many opportunities for enhancing them. They expressed their conviction that relations between the GDR and India will develop further for the good of both peoples, and that through these relations an active contribution is being made to mutually benefit international cooperation.

Axen, who is in Delhi for the 100th anniversary of the founding of the Indian Congress Party, presented Gandhi with a personal message from Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State.

Talks With Vice President

LD232042 East Berlin ADN International Service in German 1739 GMT 23 Dec 85

[Text] Delhi 23 Dec (ADN) -- The results of the Geneva summit talks between Mikhail Gorbachev and Ronald Reagan opened new opportunities, when viewed in their totality, for an active continuation of dialogue and for the achievement of constructive results in arms control talks.

There was agreement in this assessment between Herman Axen, member of the Politburo and secretary of the SED Central Committee, and Indian Vice President Ramaswamy Venkataraman, in a friendly talk on Monday [23 December] in Delhi. This applies particularly to a halt in the nuclear arms race on earth and the prevention of the militarization of space.

Hermann Axen conveyed greetings from Erich Honecker, SED Central Committee general secretary and GDR State Council chairman, which were cordially reciprocated by the Indian statesman. Ramaswamy Venkataraman expressed satisfaction at being able to continue with a high-ranking GDR delegation, the political dialogue he had started on his recent visit to Berlin.

Referring to his talks with Erich Honecker in Berlin, the vice president expressed satisfaction at the far-reaching agreement on humanistic aims as pursued by both states and peoples, by the SED and the Indian Congress Party (I).

In discussing bilateral matters both politicans welcomed the positive development of mutually beneficial relations. They cited the fruitful cooperation between both countries' academies of science as well as that in education and mentioned the joint efforts to master key technologies.

Afterwards Hermann Axen, GDR People's Chamber Foreign Affairs Committee chairman, had a meeting with Lok Sabha speaker Dr Balram Jhakhar in the central parliament building. Dr Jhakhar praised the successful course of the Days of Indian Culture in the GDR and emphasized interest in expanding the relations between both states' parliaments.

LENINGRAD SHIPYARD GETS ELECTRONIC DATA SYSTEM

LD191633 East Berlin Voice of GDR Domestic Service in German 1500 GMT 19 Dec 85

[Text] The Robotron combine has handed over an electronic data processing system to the Admiralty shipyard in Leningrad. So far over half of the medium-capacity data processing systems produced by Robotron have gone to the Soviet Union, where they are tried and tested in space research, in the Dubna nuclear research center, in the oil refining industry and other important industrial branches.

FURTHER REPORTAGE ON WINTER NATIONAL ASSEMBLY

21 Dec Proceedings

LD220524 Budapest Television Service in Hungarian 1710 GMT 21 Dec 85

[Excerpts] The winter session of the National Assembly resumed its work today at 0900. As we have already reported, yesterday Deputy Premier Lajos Faluvegi submitted the draft bill on the Seventh 5-Year Plan, and the debate got under way.

Today 20 deputies requested permission to speak. The first speaker was Foreign Minister Peter Varkonyi. Our foreign minister first of all referred to the fact that 1985 was a year rich in international events. Presumably the same would be true of next year, and there were already some signs of detente, he said. Varkonyi said the following about peace:

[Begin Varkonyi recording] It is obvious that the most important external precondition for the realization of our socialist goals is peace. Consequently in this past period, while pursuing a foreign policy that has been coordinated with the Warsaw Pact, our allies, we did not miss a single opportunity for taking steps in the interests of the preservation of peace, the lessening of tension, the continuation of the dialogue between countries with different social systems, and the preservation and further development of the system of cooperation that has evolved.

We are convinced that every people, every government bears responsibility for the development of the world situation, for the fate of humanity. We have done this in the awareness that these steps, even if only to a modest extent, could contribute to the development of conditions amid which there would be scope for progress in the solution of the most important international problems. Accordingly, we strive to take an active part in the efforts aimed at strengthening international peace and security. At international forums and in bilateral negotiations alike, we have taken a stand for the reduction of tension, the reduction of armaments, and the elimination of the dangerous hotbeds of tension that exist in various parts of the world.

We have actively participated in the development of the policy of the socialist countries, which is coordinated within the framework of the Warsaw Pact, and we have been active in striving to implement it. We have supported the Soviet proposals aimed at the normalization of the Soviet-American relationship in the interest of improving the general international situation. We are convinced that the realization of these proposals would serve well the interests of all the peoples of the world, and thus the interests of our people as well.

Another important circumstance is that in the heightened international situation the efforts of the socialist countries to counteract confrontation coincided with those of other forces interested in the preservation of detente's achievements. Among these forces is a significant proportion of the public opinion of the developed capitalist countries and of their sober-minded leading political circles.

Naturally, foreign policy belongs not to the sphere of wishes, but of realities; it requires a solid background, which in our case is provided by the stable internal situation in our country and the international prestige which has been achieved by virtue of our successes in the building of socialist society.

Our prestige, the credibility of our international actions, are increased by the fact that we never leave any doubt as to where we belong, while at the same time, paying attention to equality and mutual advantages, we are correct partners to countries with different social systems as well.

In this spirit we have devoted the required attention to the continuity of mutually advantageous relations that we have maintained with the capitalist countries. Very recently, Comrade Janos Kadar paid an official visit to Great Britain, and he also met Austrian Federal Chancellor Kirchschlaeger.

Let me mention at this point that this week we received U.S. Secretary of State George Shultz, with whom we conducted a frank, objective, and useful exchange of views on bilateral relations and the possibilities of developing them, as well as on the most important international questions. In evaluating the latter, our positions diverged in many respects, or were even contrary, but we agreed on the importance of the Geneva summit and the need for continuing the more favorable processes that had got under way.

It would be hard for anyone to doubt that in our age the development of the Soviet-American relationship is the decisive factor in the world political situation. We saw with concern that, as a result of the policy of confrontation, relations between the two great powers reached their nadir. The already existing dangers were further exacerbated by the plan proclaimed by the American Government, which they called the Strategic Defense Initiative, which could open an extremely dangerous new round in the arms race. We are convinced that the extension of the arms race into space could become the source of uncontrollable processes which, far from making the world more secure, would on the contrary involve humanity in greater dangers than it has ever faced.

Our government, therefore, has assured and continues to assure that the Soviet efforts, important initiatives aimed at the prevention of the deployment of weapons in space, as well as the radical reduction of the existing nuclear weapons, have our full support. [end recording]

Academician Pal Tetenyi, chairman of the National Technical Development Committee, spoke about the technical-develomental tasks and possibilities connected with the economic targets of the Seventh 5-Year Plan. I would like to emphasize two details from his speech. One of these is that between 1978 and 1982 we succeeded in reducing the quantity of oil used by two million metric tons, by increasing efficiency and thrift in the use of energy. This is something that must be welcomed. There is, however, a contrary example which also deserves attention. Internationally, if we compare ourselves to the developed industrial countries, our material and energy usage lags behind by 25-30 percent and our productivity by more than 50 percent. Obviously, this also costs us a very great deal of money.

Pal Tetenyi said that the technical level of the Hungarian economy was average. He continued:

[Begin Tetenyi recording] The speech outlining the plan and Comrade Havasi's speech, as well as the debate so far, made many references to the factors that determine the state of development of our economy, our international competitiveness, the situation of our machinery stock. It appears from all this that both the real situation and the requirements of the future are forcing us to realize a much higher degree of selectiveness in our investment practice.

In principle everyone agrees with this; however, the views are not so unanimous when it comes to practical implementation. It is the determined intention of the government to ensure the harmony of economy and modernity in the sphere of investment policy. This is what brings about the unity of the immediate and long-term goals, the condition of long-term and renewable competitiveness.

International experience shows that a small increase in the volume of investment, its stagnation, and even its decrease, can be accompanied by a radical modernization of production and an increase in competitiveness in the decisive branches of industry, as long as a selective developmental strategy is followed. It is a characteristic and general complaint that there is a shortage of labor, while productivity lags far behind what could be attained. Even with less investment, we could significantly increase labor productivity and could reduce our relative backwardness. But we are planning to invest 1.2-1.5 billion forints in the next 5 years.

I am sure that this is less than what is needed. This is why it is important to work on the basis of a particularly intelligent selection in the utilization of this resource, as well as great care in the technical and intellectual preparation of investments.

The introduction of new technology requires the reorganization of labor and the better management of human resources. The adoption of new technology requires skilled workers and engineers, as well as a social environment, who and which understands this new technology. It is necessary therefore to provide greater rewards for success, professional skill, and complex work.

One worries, however, that the attraction of technical careers is falling; at certain technical faculties of the universities there is no possibility of choosing from among the applicants because of their small number. Standards are falling. Young skilled workers leave their occupations and there are not enough applicants for certain skilled trades.

In the past and now, the skill and professional competence of the Hungarian engineers, technicians and skilled workers has been and is the most important productive factor; its significance is constantly increasing. If this standard falls, this will endanger not only our technical- economic development but also the progress of our society. [end recording]

We were well in the afternoon when the debate ended, and no more deputies asked to speak. It was then that Lajos Faluvegi, deputy chairman of the Council of Ministers, closed the debate with a summation. The chairman of the National Planning Office, in his introduction, thanked the deputies for their comprehensive work, but he remarked that amid the walls of the hall an unusually large number of criticisms was voiced in connection with the Seventh 5-Year Plan. A possible explanation for this, he added, is that a 5-year plan occurs only once in 5 years, in other words rarely relatively speaking, and it is only then that criticism may be voiced.

[Begin Faluvegi recording] Assessing the debate I think that these criticisms, these general criticisms, focused mainly on two issues. One of these was defined as saying that the plan, in some aspects, cannot ease the existing social problems and all the requirements of society to the extent expected or would have been expected.

The other general criticism is whether the means of the development and the tasks necessary for this development will be available in every sphere, enterprise, and branch. These two remarks, or warnings -- or if you like, anxiety -- I think are justified; the planners were also aware of this, and you have confirmed it here. If any conclusion can be drawn from this it is that both areas in which the output system and social value of the plan must be strengthened are such that to strengthen these two things -- in other words, that means should exist in every sphere and we should be able to spend more on easing our social, cultural and societal problems -- well, it has only one single source: output. We must be steeled in this -- that the principal goal of the plan is to base development on an increase of output because it cannot be based on anything else; neither do we want to base it on anything else. This shows that this is the key question of the plan; this is where the chief attention must be focused so that in the final execution the things which we do together should be even more acceptable. [as heard]

I think that the strong sense of criticism with which the draft bill was received throughout the course of preparations is no bad thing. It must not be reacted to with fright. I think that it expresses the growing self-awareness of society and the growing democraticism, and, I think, a sense of responsibility for the common causes. I think that on the basis of these debates standpoints can be seen more clearly, tasks can be better determined and the joint social consensus can be made clearer -- can be made more clearly comprehensible and can be better composed. For it is more clear where and in what the common points are in which we agree most. I think that it is important for us, for the entire country.

The most often used adjective was reality, -- in other words, that the plan should be realistic. This word contains, in Hungarian public life and political parlance, if I am not mistaken, a meaning something like: It is sort of real but also a bit restrained, or more modest regarding its efforts. Well, I think that this adjective is a true one and can be accepted. If we review the tasks we struggled with in past years and where we finally came to, and if you remember also, furthermore, what Comrades Havasi and Varkonyi said about the worries and problems of the world surrounding us, then I think that this reality concerning our draft bill is acceptable and perhaps is not a damning adjective.

When I heard this realism so often, it occurred to me that when it is so often advocated in connection with a plan it is somewhat similar to saying of a would-be bride that she is a good cook. Well, I think when one goes over one's life experiences then this characteristic becomes more and more variable. Seriously, as time passes let me say that perhaps it isn't an exaggeration and an immodesty to say that the realism of the draft bill -- in our circumstances today and in our position -- perhaps is a virtue rather than lack of bravery. [end recording]

After this Lajos Faluvegi discussed in detail some of the themes touched upon in the course of the debate: employment, energy and health service.

[Begin Faluvegi recording] Some of you deputies spoke about the employment of labor [word indistinct] this issue. We agree with these remarks and we, too, are aware that we have a lot to do regarding effective employment of manpower. Therefore, the government in the first quarter of the year, on the basis of ideas raised here, will review these questions primarily from the point of view of achieving a greater material interest in the continuous operation of production equipment, in creating second shifts, and in organizing continuous shifts.

This is not served very well by the regulating mechanism today; the mechanism must be further tuned in respect to those regulatory forms like the so-called wages level regulation, where the previous restraints are no longer there but where the incentive system for reducing surplus staff level is still not strong enough. These questions, together with regulations connected to the labor code, will be reveiwed by the government in the first quarter of the year, and the government will take measures accordingly.

Energy usage, coalmining, metallurgy issues. These questions, particularly in the past year, were the subject of a serious debate. The truth is that the energy problems of the current year brought this to the surface. We have managed to settle the energy issues of the 5-year plan in the system of interconnections of the plan which exists today. In respect to some questions raised here, primarily by comrades working in coalmining, we shall introduce measures -- I do not want to say anything now about something that will be on the next agenda -- but Comrade Hetenyi will give you information on both home building for miners and on wages. I think that these will be received with approval and understanding; I would like to add that the competent organs of the party and the government deal with the issue of military service as well, so we shall return to these issues too in the course of the general review already mentioned above.

Health and education issues. In the first half of the plan period we shall review the program of renovations in the health service. Here we probably shall be able to work out a timetable that is more advantageous than the current one. We support those efforts aimed at insuring that the larger sums intended for obtaining instruments should be materialized in such a system, purchase, maintenance, and continuous supply and utilization, and that this should provide a possibility for the better utilization of the increased sums. [as heard] The government intends to work out in 1986 a program for long-term planning.

In this framework, in accordance with the recommendation of the committee, we shall work out the long-term manpower supply and skilled worker training program. We shall do this by consulting the leaders of high schools, and I think that we shall then be able to give a greater stability to the entire system of higher education. [end recording]

Finally, Lajos Faluvegi said that the government agreed with the proposals raised by the deputies and that these proposals and amendments will be incorporated in the Seventh 5-Year Plan. After this the legislators unanimously adopted the Seventh 5-Year Plan. There was an additional point on the agenda, in fact more than one. Minister of Finance Istvan Hetenyi, as is traditional, acquainted the deputies with the 1986 budget and the financial plans of the councils for the next 5 years. We quote now from his speech about wages, prices and incomes.

[Begin Hetenyi recording] According to the law amendment adopted at the spring session of the National Assembly, the state budget no longer contains the full budget of the councils, only the state support given to them. This expresses the increasing independence of the councils. In order, naturally, that the entire financial situation of the state should be clear and that supervision over the welfare function -- here it was defined as distributive -- largely placed on the shoulders of the councils should be provided, a so-called state household balance containing the combined full incomes and costs of the state and the councils has been attached to the draft bill for the sake of information.

Despite this change however, it is natural that a large part of the financial functions of the state remains with the state budget. About three-quarters of the entire state household income and cost remain expressed in the state budget.

Esteemed National Assembly: The widening economic activity of the population, the multiplying of their income and property, and the differentiation of these require a more effective and active tax policy than before: a tax system that is more proportional in income and, partly, in property differences. The creation of such a tax system needs a longer time, but steps are meanwhile justified. In 1986 a small correction will be made in the income tax payable after private activity which, in respect to lower incomes, prescribes a kind of moderation; in respect to larger incomes reaching a monthly 15-20,000 forints, it prescribes a kind of tax increase. The measures keep in view the goals of production policy; we increase allowances in services, for the village industries, the support for the training of technical skilled workers, and so on. We have made more favorable the tax payable after intellectual activity, by making possible a more worthy cost accounting.

We must pay attention to the fact that society has become more differentiated from the point of view of property as well, and to the same extent that it is natural in the wake of the better realization of the output principle, it is also necessary that there too the shouldering of the common burden jointly should be materialized [as heard]. Therefore the government has worked out a proposal for the modification of taxation regarding properties not serving as dwellings, but which are buildings such as holiday resorts or so forth. Such a tax has been in existence for many years; its system is obsolete, it levies a small sum. The modification worked out will apply as early as 1986.

Esteemed Comrades: The raising of the living standard of the population is determined most directly by the change of wages and consumer prices. Starting from our economic possibilities, keeping in view the congress' standpoint [MSZMP 13th Congress] and the government's program which reflect the demands of society, the government has made significant efforts to moderate the inflation rate. According to the 1986 plan the growth of consumer prices -- in contrast to the 7 to 8 percent experienced in recent years -- will be 5 percent. Central price measurement will occur only in a narrower sphere, of which I would like to mention the principal ones.

At the beginning of next year, because of the rise of import prices, the price of cars will increase, and television licence fees, which have been unchanged since 1958, will go up by 20 forints per month. This is justified both by the rising costs of producing televised programs, and the expansion of services which has taken place in the course of the last several years.

From the middle of next year the fee for telephone calls will be raised from 1.5 forints -- this was the price of a call for telephone subscribers -- to 2.0 forints; this then will equal the price of a call from a public telephone. The income will be used directly for the development of the phone network, a development which in this debate was also often emphasized.

Wagws will grow by 5-5.5 percent. In some areas more serious tensions have developed in recent years regarding wages, particularly in workplaces demanding great physical and mental efforts; this has led to problems of reserve replacement, too.

I think I do not need -- after the debate of the past day and a half -- to justify why and where we take certain measures. The government, in coordination with the National Council of Trade Unions, has decided on central wage policy measures for 1986. Beginning 1 January of next year, coal miners who actually work with the coal, the direct assistants and the direct production managers; while in uranium mining the physical workers and the direct production managers, will -- in excess of the 6 percent possibility. ensured in the wage regulation -- receive a further 4 percent; in other words, a 10 percent wage increase. Enterprises and cooperatives employing workers whose working ability has changed will be able to raise the wages of such workers by 9 percent in 1986. In addition to this, in the first half of 1986, we will also introduce central wage measures regarding judges, prosecutors, workers of the district councils of the capital, and workers of certain posts of the provincial budget units dealing with real estate management.

Social incomes, too, have a significant role in the rise of living standards. We shall complement the existing system with further measures in 1986. Here we had to keep in view the position of those most in need. Thus from 1986 we have introduced measures aimed at maintaining the real value of pensions. This maintenance is wider than before. Beginning 1 January -- regarding the pension of those over 70 years of age and those who reach 70 in 1986 -- their pensions will keep in step with the average rise of consumer prices; in other words, the rise of pensions of these people will be 5 percent and a minimum will also be set: in contrast with the existing 100 forints this will now become 150 forints [as heard, minimum of what unspecified] The pensions of first or second degree handicapped pensioners will rise to the same extent. Regarding the pensioners under 70 we can raise the size of the smallest automatic pension rise; from the existing 100 forints it will now be 120 forints. Moreover, mothers will receive the child raising allowance until the child is 1 and ½ years old, as opposed to the present 2 year.

One of the fundamental issues of our living standard and social policy is the housing question. Here, too, adjusting to the social situation, increasing supports will be introduced. The sum of the so-called social policy allowance will be increased by a further 25,000 forints after two children and by 70,000 forints after three. The upper limit of the long-term credits with favorable interest rates will also increase by 20-60,000 forints depending on the size of the family. Finally the possibilities regarding the loans given by employers will expand on a large scale. Until now there were strictly determined legal powers as to what such loans could be given for; now these legal powers will increase. The support for building miners' home will double. We also think of apartments purchases because healthy apartment mobility is in our interest. The stamp duty payable after an apartment exchange decreases from 7 to 5 percent, and we shall increase the sum of extra credit that can be given on a youth savings deposit.

There were two interpellations: One of these was put forward by Dr Barna, from Borsod. He asked that the organs of justice, which had been moven to Miskolc, should be returned to Edeleny. The minister of justice, Imre Markoja, said that this was not possible right now, among other reasons because people with the required qualifications could not be moved to Edeleny.

Well, an interesting thing happened when it came to the vote. I think this is only somewhat unusual for us: Imre Markoja's reply was accepted by the deputy, with the request that the government should review the case later on.

However, the other deputies acted otherwise. There were 75 votes against and 13 abstentions. Of course, taking the total numbers into consideration, the reply was nonetheless approved.

Ference Vona asked the minister of domestic trade about the possibility of the Rackeve holiday resort being made into a priority area. Zoltan Juhasz outlined the financial possibilities. His reply was unanimously accepted by the deputies. With that the winter session of the National Assembly ended.

COMMENTARY ON NEW AGRICULTURAL MANAGEMENT FORMS

AU101205 Budapest NEPSZABADSAG in Hungarian 6 Dec 85 p 4

[Article by Jozsef Farkas: "New Management Forms in Agriculture and Food Industry -- Well-Earned Confidence"]

[Text] The Szekszard agricultural complex' enterprise committee has refused a proposal by the enterprise management. The committee did not vote for the enterprise's leaving a partnership. The reason is only too obvious: The committee members did not know enough about the financial conditions of the separation. At yet another farming unit development proposals were rejected because an analysis on the marketing situations was not attached.

The Extent of the Enterprise Committees' Authority

So far, enterprise committees in the agricultural sector have refused five proposals by managements. Of course, this is not too many considering that up to now 120 enterprises have held committee sessions -- apart from electing the directors -- and at these sessions almost 400 items on the agenda were discussed.

Although not much in itself, this fact still indicates that the leaders of farming units and food industry enterprises can only go before the committee sessions with well-condidered and carefully prepared proposals. The low ratio of refused proposals is also based on the topics put before the meetings. For the most part, the committees discussed proposals concerning structural and operational issues. This is understandable, because these issues provide the legal framework for the enterprise committees' operation and thus, it seems expedient to discuss these points on the agenda first.

Of course, many other things were discussed at the committee sessions. The committee members voted on investments and borrowing and heard reports on the general situation of their firms. All this is still ambiguous because, according to experience so far, the extent of the committee's and the director's authority is not clearly defined. The committee is required to decide on strategic and definite questions that affect the future of the enterprise but, as still happens, debates are held on everyday problems. The reason for this can be either that the director is trying to divide responsibility, or that the enterprise committee -- out of inexperience -- is interfering in issues where there is no need for it. But this doesn't preclude the fact that detailed information serves to increase the committee members' preparedness.

Good Orientation and Democracy

This latter case can be approved of, because nobody can expect people to give an expert opinion on strategic decisions without having the most detailed information on matters concerning the enterprise.

This cannot be expected of manual workers, in particular, who comprise 58 percent of the members of the sector's enterprise committees and who have been receiving less information up to now. Thus, correct orientation is the basic condition of a well-functioning committee and it is perhaps suitable to revise only the information flow system.

In plain words: the committee sessions should not spend time with providing information, because this can and must be provided on a continuous basis. This is the case at the Tokaj Hegyalja state wine complex where committee members were given written material on, among other things, energy consumption and on crop results prior to the vintage. In the Eger tobacco factory the committee members took part in a course in which they learned everything about the company that was necessary for serious decisions.

It is clear that today the picture of the enterprise committees' operation is very varied, though it can already be seen that the committees are suitable to run the enterprises. This ability was already established at the time of their election. Long and meticulous preparatory work preceded the election of committee members and the reelection of the directors. This was especially the case in the farming enterprises that consist of units scattered over many places, as is the case with the majority of agricultural complexes. Under the leadership of the trade union committees each employee had an opportunity to express his opinion and influence the election.

As a result of careful preparation the enterprise committees consist of employees with authority who have also elected leaders who are respected both for their human and professional qualities. In cases where there was uncertainty, the previous director was rejected and a new one was chosen through competitions. It even happened that the director rejected in the first round reapplied, yet insufficient votes were received the second time also. However, stormy elections were in the minority, and among the 206 enterprises only 6 directors were not approved. In more than half the enterprises the previous directors were reelected. This was especially the case in the large farming enterprises -- in Babolna, Boly, Dalmand, and Agard -- where good previous achievements contributed to the reputation of the directors. The independence of the farms is growing and, in accordance with the new circumstances, the National Center for State Farms [Allami Gazdasagok Orszagos Kozpontja] was abolished as of the middle of the year. Instead, the farming enterprises voluntarily formed a country-wide association that is chaired by Robert Burgert, director general of the Babolna agricultural complex.

Agricultural Experiences

Everywhere the chairman of the enterprise committees fulfills a new function. According to the law, this function may be carried out by any member of the committee except, of course, the director. Experience shows that the enterprise committee chairmen are deputy directors in more than 50 percent of cases. However, having gained experience after the elections, many people doubt that these two funtions are compatible. On the one hand, on behalf of the board the committee chairman exercises the right to employ the director, while on the other hand, as a deputy within the enterprise structure, he is a direct employee of the number one leader. This relationship could prevent both parties from taking firm steps and give grounds for disregarding each others' mistakes. We can say this, of course, conditionally because there is no precedence for such a case as yet. However, where the committee's chairman is not in a subordinate position to the director, such a disturbing factor and ambiguous situation has been eliminated from the outset.

A lot of experience has been gathered during the short existence of the enterprise committee, and it was the food industry enterprises that led the way. This is only natural, because the changeover to the new managerial forms started in this sector. In the spring many people thought that there were over-hasty changeover practices in the agricultural sector, but the sector supervisors and farm managers were persistent. The short time that has since passed has proved them to be correct.

It was in spring that most of the committee members and directors were elected and reelected. The organization and the meeting did not disturb seasonal activities. Yet it is even more important that the Seventh 5-Year Plan is being discussed by enterprise committees that have already had some practice. The price of the practice, however, is that most critics are watching the first ones with particular attention. All this is accepted by the agricultural sector -- partly because of cooperative traditions -- and the operation of the enterprise committees so far proves that the efforts were not over-hasty or in vain.

FINANCE MINISTRY OFFICIAL DISCUSSES TAX SYSTEM

AU061217 Budapest MAGYAR HIRLAP in Hungarian 28 Nov 85 p 3

[Interview given by Dr Laszlo Csucs, head of a department of the Finance Ministry, to Gyorgy Acs: "One Who Has More Should Pay More Taxes -- Money Is Not Shame"; date and place not given; first paragraph is paper's introduction]

[Text] Some people claim that we are living in a poor country but among rich people. Now that the income inequalities are becoming more spectacularly visible, many people are asking: Where is the limit? We asked Dr Laszlo Csucs, head of a department at the Finance Ministry and tax expert, to help us find our way in matters of property.

[Acs] Does anyone in this country know how much property is at the disposal of individuals? Is it necessary to record this at all?

[Csucs] It is in any case desirable that the Finance Ministry, among others, should have comprehensive data at its disposal concerning the financial situation of the population, data which enable the ministry to have an inside view, based at least on the family situation, as well as on the individual situation in some cases, of the property at the disposal of the population. Such records cannot, of course, be comprehensive ones. If we start from the interpretation of property as the sum of goods that maintain and increase their value, then these records can provide only a limited knowledge of personal movable property, paintings, jewelry, and other things. Why would it be preferable to keep such records? It would be so precisely for the efficient implementation of regulations concerning these assests.

Housing Stop

[Acs] We do not have exact knowledge concerning the size of the matters, but we do know the restrictions. Do not you regard these restrictions as too severe?

[Csucs] There is one type of property restriction regulation which, in the case of real estate property for example, stipulates that a family, parents and underage children, may have one apartment, one holiday resort, one such plot, or a version of these properties. This restriction has already been eased in that a child who has turned 16 may have his own housing property.

In order to be able to deal with these matters adequately from a financial point of view, we must know the size of property the family or the individual possesses, as certain preferences may be connected to this. On the basis of such records the legislators could be informed about the financial situation of the population and could adjust the extent of sharing in taxation. It makes a difference whether real estate property, for example, directly serves housing needs or is the source of specific efforts at enrichment.

[Acs] Why is that so?

[Csucs] Housing enjoys considerable financial support, from advantageous credit to social-political allowances or more equitable taxation. The allowances are based on the fact that the government provides far-reaching support for the acquisition of property that fulfills the main requirements of life, including housing. It is, however, unjustified to support the acquisition of property that exceeds this requirement.

[Acs] There are people in Hungary who claim that it is only worthwhile to invest capital in luxury consumption.

[Csucs] In addition to the purchase of luxury cars, diamonds, or mink coats, there are no obstacles for investments in economic ventures; moreover, for some years quite a few allowances have been promoting the purchase of machines (even from abroad), and investments aimed at expanding production -- all this up to a certain rational limit.

[Acs] Many people look at the rich disapprovingly....
[Csucs] Getting rich -- if honest work is behind it -- is a favorable phenomenon because the one who is more successful gets richer not only personally, he also enriches the national wealth. This also serves a sort of public interest. It is another matter for the owner of rich assets to take a share from taxation proportionate with the extent of his property.

[Acs] Much can be heard about income without work. How do you define this concept?

[Csucs] Income that is not covered by work done in order to receive it is income without work. This income may be legal, illegal, or semilegal. The system of taxation may, of course, have nothing to do with the acquisition of illegal income; this belongs to criminal law. Of course, neither the fees connected with acquisition of property nor property taxes can distinguish among the sources of the property.

It Is Not a Punishment

[Acs] You are probably aware of the fact that many people try to evade the fee and tax regulations.

[Csucs] It is, unfortunately, a general view that the paying of fees and taxes is a punishment. It is very chic to circumvent the regulations. It is not characteristic of our citizens to accept that they must bear their share of taxation. The fact that citizens must also bear their share of the public expenses they directly or indirectly benefit from has not become a matter of general recognition.

More Just

[Acs] After all, the forints spent on large investments are also from "our" money.

[Csucs] I agree with this, but we have to accept that it would not be practical to collect the funds necessary for public expenditure only from one channel. The property tax or the fees on property carry out their regulatory effects more directly and justly precisely because they approach the method and system of taxation in a differentiated way.

Secret Accounts

[Acs] A part of the general public has been asking the question for years: Who has acquired property and from where?

[Csucs] This is the so-called post-assessment of property, the implementation of which is extremely difficult. It is difficult, among other things, because in accordance with the current tax system it is possible to examine retroactively the source of accumulation only for the previous 5 years. In addition, there is the secrecy of savings accounts, which make it possible to avoid assessment. By mutual transactions among themselves, citizens try to legalize sources of income which they otherwise would not be be able to justify, and they do it with considerable sucess. As a result, it is practically only possible to efficiently implement the regulations concerning post-assessment of property in cases where it can clearly be proven that the accumulation of property occurred from income that has not been taxed at all or only partially.

[Acs] What measures do you plan to take?

[Csucs] We are now looking for solutions and methods that will enable a more comprehensive property taxation -- in any case more comprehensive than at present -- and a considerably more thorough assessment of incomes. All these will enable a more equitable taxation, too. Analyses are already under way, but a considerable part of the work is still ahead.

BRIEFS

ROMANIAN TRADE PROTOCOL SIGNED -- The value of Hungarian- Romanian trade turnover will exceed R650 million in 1986, which is significantly larger than the bilateral trade this year. The goods' exchange and payment protocol of the two countries has just been signed in Budapest. Hungary will deliver machine tools, telecommunication equipment, instruments, and medicines in return for Dacia and (Aro) salt, furniture and other goods. [Text] [Budapest Domestic Service in Hungarian 2100 GMT 21 Dec 85 LD]

SZALAJDA STATEMENT ON MOSCOW CEMA SESSION

AU241402 Warsaw RZECZPOSPOLITA in Polish 19 Dec 85 p 7

[Statement on 41st CEMA session by Deputy Premier Zbigniew Szalajda to PAP special correspondent Jan Cipur in Moscow on 18 December]

[Text] Moscow (PAP) -- One of the most important documents stemming from the decisions taken at the 1984 summit-level conference of CEMA members was adopted at the session -- the integrated program for scientific and technical progress until the year 2000. This program meets the challenge presented by the future and constitutes a qualitatively new approach on the part of the states of the community to cooperation in this particularly important area, and takes account of the interests of each member of the council.

We have had good programs and sincere intentions on more than one occasion in the past, but there were always difficulties when it came to ensuring that these programs were put into practice in a consistent manner. Now, for the first time, we are to embark upon the implementation of a program of technological progress in an integrated fashion.

We expect the realization of the complex program for the integration of scientific, technological, and personnel resources to enable us to develop our economy more quickly and to increase its efficiency on a foundation of technological progress. We have already taken a significant step forward in this area by signing a long-term agreement on scientific and technical progress with the Soviet Union.

Poland possesses a large number of highly qualified personnel, outstanding engineers, and scientists of world renown. We can and will make a significant contribution to the realization of the whole series of undertakings envisaged in the program, in areas such as bioltechnology, telecommunications -- including fiber optics -- in electronic computing techniques, laser technology, and in other areas in which Poland enjoys world renown and possesses the appropriate scientific and production infrastructure.

Five of the priority lines set out in the program coincide with the tasks contained in our national economic plan for the next 5 years. Achieving the goals laid down in the plan should make it possible to speed up the process of introducing structural changes into our economy. This will make it possible to conserve manpower and materials and to transfer material resources to more efficient sectors.

In the electronics field, for example, we intend to build ultra-fast computers which can perform up to 10 billion operations a second, as well as personal computers, and fiber optic-based communications systems and a new generation of communication and television satellites. In the engineering field we intend to set up automated production units and plants, to develop robot production and the production of automated design and construction aid systems. Our plans for the chemical industry and agriculture include the production of new types of fertilizers, microbiological substances for plant protection, new drugs for people, and the cultivation of high-yield strains and types of crops.

We intend to introduce new types of materials into the national economy on a large scale, highly durable materials that possess such valuable properties as resilience to corrosion, radiation, and high temperatures.

We also place great hope in the ability of the integrated program tasks to enable us to implement our national nuclear energy program more quickly and more effectively, to enable us to build up a reliable, safe, and economical source of energy; to start up the production of equipment for nuclear power stations and heating installations; and to solve problems related to safety in these installations.

We realize that the most important task at present is the implementation of the program.

We must, above all, quickly create a legal, organizational, and financial framework which will ensure that the program is realized. We must develop direct forms of co-operation between research units and plants, which are performing better and better in practice, and establish joint scientific centers and design departments.

The urgent task facing the organs of CEMA and international organizations at the present time is that of signing agreements concerning the directions of cooperation contained in the program. We have decided that agreements will be signed in the first half of 1986 concerning work which will commence next year. The decisions taken at the session place particular emphasis on ensuring the provision of materials and financing essential for the realization of the undertakings contained in the program. We also decided to include products on the basis of specialization and cooperation resulting from the realization of specific program tasks in trade agreements and annual protocols. Specific tasks for the organs of the council and its international organizations in this area were also defined at the session.

We expect the implementation of the intergrated program to enable us to close the gap which separates us from highly industrialized countries more quickly than would be possible if we were to work alone. We also expect the program to help raise the standard of living, to improve working conditions, and to satisfy the needs of the population more fully.

DEPUTY MINISTER ON 'NORMALIZATION' AT PZPR PLENUM

LD221559 Warsaw PAP in English 1358 GMT 22 Dec 85

[Text] Warsaw, Dec 21 -- One of the speakers in the debate on the first day of the 23rd plenary meeting of the PUWP Central Committee was Gen. Wladyslaw Pozoga who is an alternate member of the Central Committee and a deputy interior minister.

Among other things, he said that workers statements before the 16th Plenum had been an impulse for his ministry to more active fight against all kinds of violations of the law and social ills.

Reporting on carrying out these tasks, Pozoga stressed the Interior Ministry was now operating in a completely changed situation, under the conditions of progressing internal normalization. Excerpts of his address:

What is the situation in the main areas of danger at the close of the 1985, one and a half years after the 16th plenum? Let me start from the sphere of the security of the state which has largely been affected by destructive activities of the internal opponent and Western agencies of ideological subversion.

To this goal have been subordinated, among other things, the [word indistinct] in the Radio Free Europe where key executive and advisory positions have again begun to be filled by people linked to U.S. intelligence.

The subversive institutions have also been reinforced by instigators and active participants in anti-state actions of the years 1980-81.

As particularly perfidious, one can class a concentrated campaign launched by the subversive agencies against the 16th plenum and carried on with changing intensity to this day.

Phony defenders of the working class launched a massed attack at the most worker-oriented of all the CC plenary meetings to that date. The opponent had correctly read the message of the 16th plenum which was expressed in increasing identification of the working class with the party.

This was seen by subversion and intelligence organizations as a threat to their long-range plans of destructive activity and destabilization in Poland.

Progress in normalization forced the opponents to verify their prognostics and modify the programmes of ideological subversion which are now directed chiefly at those milieux whose views are still destabilized, especially the young.

Four basic trends are seen as a priority here: first, to discredit the party, central organs of state and Armed Forces, the Interior Ministry, and the programme of moving out of the economic difficulties. Second, to sustain the myth of the former "Solidarity", at any cost. Third, to instigate movements and so-called alternative structures as a form of weakening the security of the state. Four: to upset preparations for the tenth congress of the party.

Our moves are above all directed to where illegal activity is particularly dangerous, where it is most harmful. One cannot ignore actions hitting out at the Polish reason of state, at the foundations of national substance, which are being undertaken by a group of the so-called professional oppositionists and advocates of the underground, who, fulfilling the orders of subversive centres, try to slander this country at every step, who increasingly descend to the positions of paid agents. Just like the so-called representatives of the former Solidarnosc in the West, who became such agents long ago, and who have been specializing of late in staging provocations and in bringing detriment to Polish interests in the international forum.

One of the signs of progressing normalization is the checking of the drastic growth of crime and society's growing support for our ministry's activities. This finds reflection in statistics, but also, I think in social feelings.

There are also, though infrequent, instances of deliberate destruction of public property, sometimes bordering on sabotage. What else can one term the cutting of streetcar engine cables in 108 streetcars belonging to the R-4 streetcar park in Warsaw Zoliborz district, by employees of the park?

The speaker pointed to the need to stamp out of our life the indifference to frequently unpardonable and glaring infringements upon employees' discipline, including alcoholism at workplaces. Too many cases of the so-called industrial accidents and break-downs stem from unpardonable neglected duties, and at times from criminal recklessness. The ensuing material loses sustained by society reach billions of zloties.

COMMENTARY ON 23RD PZPR PLENUM, ECONOMY

LD241506 Warsaw PAP in English 1414 GMT 24 Dec 85

["23rd PUWP CC Plenum and Sharpness of Economic Requirements (by Zbigniew Boniecki)" -- PAP Headline]

[Text] Warsaw, Dec 24 -- As usually at the end of the year, the PUWP CC reviewed socio-economic tasks concerning the period of the next 12 months at its plenary session. The number of factors contribute to the fact that these subjects become now particularly profound and sharp.

This stems both from the present moment, which is the transfer in time of the starting campaign before the 10th PUWP Congress from summing up the three-year plan to formulating decision (after the Sejm already approved the post-crisis variant of the concept) of the draft five-year plan and from emphatic statements about the need for "feeling the sharpness and even dramatism of duties and requirements facing us". This need concerns not only society but also some party links, as Wojciech Jaruzelski said in his final speech at the 23rd plenum.

The Central Committee generally positively sized up the results of the three-year plan. Production and national income grew to a higher degree than planned. The market situation essentially improved and effectiveness managing raw materials and sources of energy improved. However, hitherto improvement in effectiveness is not enough. Progress in balancing the economy is still unsatisfactory. Threats to development related to the depreciation of production assets take place.

There is a need for further consultations and discussions around problems of structural changes in the national economy, around differences of opinion between the postulated selection of goals and pressures to increase them and around the existing uncertainties as to external determinants.

The 23rd plenum more unequivocally pointed to dependence of objectives and effectiveness of implementing the plan on more sharply making society aware of [word indistinct] economic laws. In this area, there are many "weaknesses, naive images and [words indistinct] ideas". It is necessary to change social mentality. The categoric imperative of the present stage is to shift the hierarchy of goals from the division of goods to creating them.

The plenum unambiguously formulated party duties in this area, also ordering to fully observe the principles of economic discipline and obligating both founding organs and all organs of control to carry it into effect.

GLEMP DISCUSSES POLISH CHURCH, NEED FOR DIALOGUE

AU171110 Warsaw SLOWO POWSZECHNE in Polish 13-15 Dec 85 p 2

[Interview given by Jozef Cardinal Glemp to Renzo Giacomelli of FAMIGLIA CRISTIANA and published in FAMIGLIA CRISTIANA No 47; SLOWO POWSZECHNE title "The Need for Dialogue"; date and place of interview not given]

[Excerpts] PAP -- [Giacomelli] Has the Vatican Council influenced relations between the church and the socialist state?

[Cardinal Glemp] You know that the idea of dialogue was already present in the thoughts and actions of Cardinal Wyszynski. The council affirmed this course. That is why we wish to continue a dialogue, drawing inspiration from Paul VI's encyclical 'Ecclesiam Suam', a document which had a great influence on the council.

[Giacomelli] In your situation did the document not seem too favorably disposed toward communism?

[Cardinal Glemp] On the contrary. The document was explicit in its criticism of communism, and this is borne out by the fact that we were not permitted to have it prinited and could only have it distributed in the form of typewritten copies.

[Giacomelli] In which areas of church life has the renewal envisaged in the teachings of the council been inadequate so far?

[Cardinal Glemp] We are weak when it comes to the evangelization of lay communities. Political circumstances do have their importance but perhaps we have not done all we could do to establish a strong, organized lay apostolate in various areas of life such as culture, the economy, and politics. We are short of permanent deacons and this difficulty stems from the problems the church has in supporting married men who in turn have families to support. At the same time one cannot imagine people of the church such as deacons being employed and paid by the state, as they would always be dependent on the state. This is a question which ought to be examined during talks between the church and state.

[Giacomelli] To an outsider the Polish church creates the impression of being very 'clericalist'. Only priests and bishops count. What role do the laity play in the life of the church?

[Cardinal Glemp] I do not accept this view of our church. Many lay members are involved in the running of Catholic intelligentsia clubs, most editors of our papers are members of the laity, others are involved in teaching, in running parish charity committees, and in teaching the catechism. It is, however, true that the number of these lay members of the church is inadequate in relation to the number of possibilities that exist.

[Giacomelli] Can one say that the maturing of Christian social and political awareness (in the period leading up to the emergence and growth of 'Solidarity') is the fruit of the council?

[Cardinal Glemp] This is a very complicated matter. But it is certainly true to say that the enhancement of religious awareness has been accompanied by the development of a feeling of freedom and human dignity.

[Giacomelli] This growth in awareness is very much alive among priests. The most famous of these priests was Father Popieluszko. Do you, the bishops, find initiatives such as the 'mass for the fatherland' disturbing or do you support them as expressions of the role of criticial awareness which the church ought to perform in society?

[Cardinal Glemp] In no way do we find initiatives such as the 'masses for the fatherland' disturbing. But we do want them to remain true forms of prayer and not occasions for demonstrations in which people of the church have no say.

[Giacomelli] Is it true that the pope sometimes disagrees with you, Your Eminence?

[Cardinal Glemp] No. The pope understands the situation well and we are in agreement. Lies on this subject also appear in papers.

[Giacomelli] More than a month has elapsed since the elections. There is a new Sejm, a new government, but there is no 'normalization'. There are even signs of a greater rigidity. What kind of way out is there then?

[Cardinal Glemp] To return to dialogue. Dialogue is essential if we want the country to go on and develop, and if we want people to recover confidence. There has been some more progress. Three years ago we thought the situation would get worse. There was hunger, constant unrest, and fear of a bloodbath. People are tired. People have understood that constant protest is unwise, that there ought to be restraint so that things can be thought out and a positive program formulated. The church is prepared to make its contribution, but it must be clear that it will neither relinquish its duty to proclaim the gospels nor will it allow itself to be used as a political tool by anyone.

STATE COUNCIL DEPRIVES THREE OF CITIZENSHIP

LD231859 Warsaw Television Service in Polish 1830 GMT 23 Dec 85

[Text] The Council of State has adopted a resolution depriving Zdzislaw Najder, Zdzislaw Maciej Rurarz, and Romuald Maciej Spasowski of Polish citizenship. [Najder is former section chief at Radio Free Europe; Rurarz and Spasonski are former ambassadors]

GOVERNMENT PRESIDIUM APPROVES PRICE HIKE BAN MOVE

LD211248 Warsaw Domestic Service in Polish 1800 GMT 19 Dec 85

[Text] The Government Presidium has approved a draft Council of Ministers resolution on the limitation of increases in negotiable prices for industrial goods produced by socialized sector enterprises. The ban on increases includes 33 groups of products of electrical engineering, chemical, timber, paper and other industries. The Government Presidium also discussed trade profit margins for 1986-90. The main aim is to bring profit margins to a level which will allow trading units to achieve profitability. This would influence a growth in the fund for developing the network of shops and their equipment, and would thus improve service to customers.

FARMERS' UNION PROTESTS GASOLINE PRICE HIKE

AU111330 Warsaw TRYBUNA LUDU in Polish 7-8 Dec 85 p 8

[Text] PAP -- The national union of farmers and agricultural circles and organizations has issued a communique on the price hike for liquid fuels. The communique states:

The announcement about the price hike for liquid fuels failed to state that on 27 November our union was informed of the impending hike and that it presented its views on this issue, which is so important for agriculture.

That is why our union again states that it regards the hike in question as excessive and that it objected to its implementation without first ensuring the stable economic conditions for -- and the profitability of -- farm production.

The decision on the hike in question has made only partial allowance for our union's objections by reducing the hike from Z15 to Z10 a liter.

In this connection the national farmers' union has asked the minister of finance to include the results of that hike in the cost effectiveness of 1986 farm production, so that its economic conditions and profitability can be determined. Fulfilling its legal duties vis-a-vis farmers, the union will see that these costs are accounted for correctly and honestly.

The national farmers' union takes the view that it is necessary to curb increases in the prices of farm production means because in the end such increases result in price hikes for food. That is why we think that the first thing to do is to exploit all possible methods through which fuels can be saved in the national economy, including agriculture. This can be done by a bolder application of more economical technologies and power units, by locating gasoline stations near producers of farm produce and food. Every price hike for fuels and other means of farm production should be carefully analyzed in consultation with the social and professional organizations of farmers.

BRIEFS

INCREASE IN CSSR TRADE -- A Polish-Czechoslovak protocol on mutual supplies of goods and payments for next year has been signed in the Ministry of Foreign Trade. The document was signed by Deputy Ministers of Foreign Trade Janusz Balewski and Alois Hloch. It is envisaged to increase the mutual turnover by more than 12 percent. Poland will receive, among other things, equipment for the food and weaving industries and articles for every day use. We shall export to Czechoslovakia complete industrial plants, raw and other materials and semi-processed goods. [Text] [Warsaw Television Service in Polish 1830 GMT 16 Dec 85 LD]

TRAIN ELECTRIFICATION COMPLETED -- The first two electric trains arrived simultaneously at the railway station in Wloclawek: one from Warsaw, the other from Bydgoszcz. The electrified railway from Torun to Kutno was inaugurated in this way. This also signified the completion of work on electrification of the important lines of Bydgoszcz-Warsaw and Bydgoszcz-Lodz. The electric traction will allow for the traveling time of trains servicing these lines to be shortened. A meeting of constructors who had worked on the railway took part in the Wloclawek Cultural Center. A group of people were awarded state and professional distinctions and regional medals. [Text] [Warsaw Domestic Service in Polish 1800 GMT 22 Dec 85 LD]

REPORTAGE ON VISIT BY BULGARIA'S ZHIVKOV

Talks Held at Dinner

AU212055 Bucharest AGERPRES in English 1945 GMT 21 Dec 85

[Text] Bucharest AGERPRES 21/12/1985 -- Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, and Elena Ceausescu met again on Saturday, December 21, Todor Zhivkov, general secretary of the Central Committee of the Bulgarian Communist Party, president of the State Council of the People's Republic of Bulgaria, at a dinner.

They continued on the occasion the exchange of views on bilateral questions and on some current aspects of international life.

During the interview they discussed questions related to the ever more powerful development of the Romainan-Bulgarian collaboration in various domains of special importance for the two countries' economic and social progress.

Starting from the fact that on the fundamental issues of international political life Romania and Bulgaria have identical or very close positions, the two countries' determination was emphasized to work ever more clearly for the halting of the dangerous course of events toward confrontation and war, for a passage to concrete disarmament measures, nuclear disarmament above all, for the promotion of detente, security, peace and collaboration in the Balkans, in Europe and the world over.

The two party and state leaders expressed satisfaction at the results that the agreements reached during the current meeting would contribute to the further strengthening of the traditional friendship between the Romanian and Bulgarian peoples, to their benefit, to the advantage of the general cause of socialism and peace.

The dinner and talks proceeded in an atmosphere of warm friendship, mutual esteem and understanding.

Weapons-Free Zone Proposed

AU221458 Bucharest AGERPRES in English 1329 GMT 22 Dec 85

["Declaration and call of the president of the Socialist Republic of Romania, Nicolae Ceausescu, and the president of the State Council of the People's Republic of Bulgaria, Todor Zhivkov, for the creation of a chemical weapon-free zone in the Balkans" -- AGERPRES headline]

[Text] Bucharest, AGERPRES 22/12/1985 -- The president of the Socialist Republic of Romania, Nicolae Ceausescu, and the president of the State Council of the People's Republic of Bulgaria, Todor Zhivkov:

examining the course of the international situation, especially the problems concerning the ensurance of peace and security in Europe, and expressing their deep concern over the high tensions on this continent and all over the world;

acknowledging the grave dangers arising from the continuation of the arms race, of the testing, production and deployment of nuclear weapons and other means of mass destruction;

emphasising that everything possible should be done to free Europe from nuclear arms and other weapons of mass destruction;

reaffirming the determination of their countries to take steadfast action for the Balkans to become a nuclear-free zone of peace and cooperation, and supporting the launching and taking of new actions and initiatives on that line;

setting out from the fact that the research, testing and production of chemical weapons have grown in scope in recent years, and assessing this as increasing further the danger of the annihilation of civilization and life on earth;

considering that the conclusion of an effective and verifiable international convention will be a contribution to a complete ban on chemical weapons, affirm the readiness of their countries to take part in its drafting and welcome the efforts for the creation of a chemical weapon-free zone in central Europe;

guided by their wish to strengthen peace and security in the Balkans;

declare that Romania and Bulgaria are most firmly against chemical weapons as a means of mass destruction;

make a solemn call on the Balkan heads of state and government for all the states in this region to rally and concert their efforts in order to make the Balkans a chemical weapon-free zone;

propose that negotiations should open without delay among Balkan countries for an accord not to test, develop, produce or store any chemical weapons on their territories.

The proclamation of the Balkans a chemical weapon-free zone would be a big step toward freeing the whole Europe from a highly dangerous class of weapons, help build up confidence and strengthen cooperation among the states and peoples in this region.

The translation into fact of this call would be an effective contribution to the efforts for a general and complete ban on chemical weapons and the destruction of the existing stockpiles, to the promotion of underway negotiations.

The president of the Socialist Republic of Romania and the president of the State Council of the People's Republic of Bulgaria express their conviction that the declaration and call to make the Balkans a zone free not only of nuclear but also of chemical weapons will draw a positive reaction from the heads of state and government in this region and that responsibility for the lives of their peoples, for the general interests of peace and security in the Balkans, in Europe and the world over will prevail over differences of systems or of any other kind.

Official Talks Concluded

AU221442 Bucharest AGERPRES in English 1338 GMT 22 Dec 85

[Text] Bucharest AGERPRES 22/12/1985 -- Sunday morning [22 December] official talks concluded between Comrade Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, and Comrade Todor Zhivkov, general secretary of the Central Committee of the Bulgarian Communist Party, president of the State Council of the People's Republic of Bulgaria.

Comrade Nicolae Ceausescu and Todor Zhivkov expressed their satisfaction at the results of their talks and their belief that the understandings made during this new visit -- like those at the previous top level meetings -- would contribute to the stronger development of cooperation between the Romanian Communist Party and the Bulgarian Communist Party, to the growth of multilateral cooperation between Romania and Bulgaria in the political, economic, technical, scientific, cultural and other areas, to the strengthening of the traditional friendship between the Romanian and Bulgarian peoples for their own benefit, for the benefit of the general cause of socialism and peace.

The two party and state leaders expressed their determination that action be taken for the best possible implementation of the measures agreed upon, for new dimensions to be given to the mutually advantageous economic cooperation between Romania and Bulgaria in various fields of common interest.

Comrade Nicolae Ceausescu and Todor Zhivkov agreed to continue the fruitful Romanian-Bulgarian top-level dialogue whose role is decisive for the broad promotion of the good ties between the two parties, states and peoples.

The talks were held in an atmosphere of warm friendship, mutual regard and confidence.

A communique was adopted at the end of the visit that states the results of the visit, of the talks between Comrade Nicolae Ceausescu and Comrade Todor Zhivkov, and the understandings that were made. Also adopted was a declaration and call of the president of the Socialist Republic of Romania, Nicolae Ceausescu, and the president of the State Council of the People's Republic of Bulgaria, Todor Zhivkov, to create a chemical weapon-free zone in the Balkans.

Zhivkov Departs 22 Dec

AU221511 Bucharest AGERPRES in English 1152 GMT 22 Dec 85

[Text] Bucharest AGERPRES 22/12/1985 -- In the morning of December 22, Todor Zhivkov, general secretary of the CC of the Bulgarian Communist Party, president of Bulgaria's State Council, ended a friendship visit he paid to Romania at the invitation of RCP General Secretary and President of Romania Nicolae Ceausescu.

The departure ceremony for the distinguished Bulgarian guest took place at a festively bedecked Otopeni Airport.

The two party and state leaders arrived together at the airport where they were extended a warm and friendly welcome by many residents of the capital of Romania.

Later the official departure ceremony, Nicolae Ceausescu led Todor Zhivkov to the plane where he warmly took leave of the distinguished guest.

Communique Issued

AU241521 Bucharest ROMANIA LIBERA in Romanian 23 Dec 85 p 3

[Text] At the invitation of Comrade Nicolae Ceausescu, RCP secretary general and president of the SR of Romania, Comrade Todor Zhivkov, general secretary of the BCP Central Committee and president of the State Council of the People's Republic of Bulgaria paid a friendship visit to Romania between 20-22 December 1985.

Comrade Nicolae Ceausescu and Comrade Todor Zhivkov held talks which took place in an atmosphere of complete understanding and mutual trust and esteem.

The two party and state leaders briefed each other on the major current tasks in building a socialist society and in implementing the 13th RCP Congress and 12th BCP Congress decisions.

Examining the state of and prospects for bilateral cooperation, they noted with satisfaction that the traditional relations of Romanian-Bulgarian friendship have continuously developed and are based on the principles of Marxism-Leninism, full equality of rights, national independence and sovereignty, as well as on the provisions of the Treaty of Friendship, Cooperation, and Mutual Assistance signed in 1970.

The great importance of the meetings between Comrade Nicolae Ceausescu, RCP secretary general and president of the SR of Romania and Comrade Todor Zhivkov, general secretary of the BCP Central Committee and president of the State Council of the People's Republic of Bulgaria, assisting in dynamically developing cooperation between the RCP and the BCP and between the SR of Romania and the People's Republic of Bulgaria in the political, economic, technological, scientific, cultural, and other fields of activity, has been emphasized.

The sides noted with satisfaction that understandings reached at summit level are being successfully implemented.

The sides also noted that the contacts between representatives of the party and state leadership, parliaments, governments, mass and civic organizations, and county party bodies for exchange of information and experience in various fields of socialist construction have increased. The decision was made to further develop these ties.

The two party and state leaders paid particular attention to the issues of economic, technological, and scientific cooperation and production-sharing between the two countries. They highlighted the intensive activity carried out to implement the provisions of the "Long Term Program for Developing Cooperation in the Economic, Technological and Scientific Areas Between the SR of Romania and the People's Republic of Bulgaria Up to the Year 1990 and in Some Fields Up to the Year 2000" signed in Bucharest in December 1984.

The sides valued the results of the talks held between the two countries' ministers as well as the understandings they reached on developing economic cooperation and production-sharing in the 1986-1990 period and on developing cooperation within the joint Romanian-Bulgarian Governmental Commission for Economic, Technological, and Scientific Cooperation.

The two leaders stressed the fact that the economic, technological, and scientific potential of the SR of Romania and of the People's Republic of Bulgaria along with the geographic neighborliness offer possibilities for a broader bilateral cooperation. Further steps should be taken to capitalize on these possibilities.

The relevant bodies in the two countries were instructed to take systematic action on the basis of a specific working program to broaden specialization and cooperation in machine-building, electronics, electrical engineering, metallurgy, chemistry and other areas, and to make widespread use, of the most efficient forms of cooperation set in long-term accords and conventions so as to achieve a sensible and stable growth of goods exchanges in the years ahead.

Likewise, competent bodies in the SR of Romania and the People's Republic of Bulgaria were given the task to work out a program and timetable containing organisational measures for the earliest possible realization of the Tirnu Magurele-Nikopol waterpower complex. A joint operative body was agreed to be set up to deal with these questions. Steps were also urged to speed up the study of the questions related to the Calarasi-Silistra waterpower project. The sides reviewed the activities of building objectives through joint efforts of the two countries, objectives which are important for the two countries' economic development and for strengthening friendship between the two nations.

The relevant ministries and organisations in the two countries were instructed to make further efforts and develop cooperation in the capitalization of raw material sources in the border area.

The two party and state leaders advised the responsible and competent bodies that, in keeping with the program on scientific and technological cooperation and collaboration between the SR of Romania and the People's Reupblic of Bulgaria for the 1986-1990 period, they should intensively cooperate in order to build machines, tools, and equipment by applying high technologies. They should solve, through common efforts, the problems of major importance for the economies of the two countries. They also advised the respective bodies to examine concrete ways of cooperation in order to fulfill tasks of mutual interests on the basis of the comprehensive program for scientific development and technological progress. The sides agreed that the two governments, the joint government commission for economic cooperation, and the economic ministries should act more resolutely in fulfilling the agreements on developing bilateral economic cooperation.

The two party and state leaders reaffirmed their countries' resolve to more actively develop multilateral economic, technical and scientific cooperation, in the spirit of the decisions adopted at the CEMA economic summit in 1984.

They acknowledged the permanent growth and diversification of the ties in culture, science, education, health, tourism, sports, the mass media and other areas of mutual interest and decided that mass bodies take action to further develop cooperation in those spheres.

Comrade Nicolae Ceausescu and Comrade Todor Zhivkov reasserted the two party and states' decisions to do everything possible to continuously consolidate and deepen the traditional friendship between the two neighboring socialist countries, in keeping with the interests of the Romanian and Bulgarian people and the cause of socialism, peace, and cooperation throughout the world.

Comrade Nicolae Ceausescu and Comrade Tozdor Zhivkov exchanged views on some major issues of the international situation. They expressed their deep concern with the increasing tension throughout the world as a result of the imperialist policy. They stressed that the increasingly dangerous intensification of the arms race increased the danger of a nuclear war, which under current circumstances would mean the elimination of life itself from our planet. The early cessation of the arms race on earth, prevention of its extension to space, and the passage to disarmament, nuclear first and foremost, are fundamental for the present-day world.

The two leaders underscored their countries' determination to take action, in the spirit of the declaration of the Warsaw Treaty states signed in Sofia on October 23, 1985, for the settlement of the pressing problems of the struggle for disarmament and peace, and for the elimination of the nuclear threat so as to bring positive changes in Europe and all over the world.

The sides stressed the great significance for joint actions in order to achieve a radical improvement in international relations.

The two leaders stressed the fact that the Geneva meeting between Mikhail Gorbachev, general secretary of the CPSU Central Committee and the President of the United States, Ronald Reagan and the declaration they adopted are major international events.

They reasserted the full support of Romania and Bulgaria for the constructive position adopted by the USSR duing that meeting. Within this context, the sides highlighted the principal significance of the Soviet-U.S. declaration regarding the inadmissibility of a nuclear war in which there can be no winners, along with the fact that prospects were laid down for continuing negotiations on nuclear and space weapons issues.

The two sides advocate achieving, in the shortest time possible, acceptable agreements for both sides, which could lead to the halt of the arms race on earth and could prevent its expansion into outer space, for achieving disarmament, primarily nuclear disarmament, and ensuring international security, in keeping with the interests and aspirations of all peoples.

It was agreed that all the states of the European Continent, the NATO and Warsaw Treaty countries first of all, should actively contribute to efforts for the reduction and elimination of nuclear arms from Europe, for progress at the on-going negotiations on these questions, and for the prevention of a nuclear war. The countries on whose territories medium-range nuclear missiles are or are intended to be deployed have a great responsibility towards the destinies of peace in Europe and throughout the world.

The two party and state leaders spoke in favor of a freeze and reduction of the military spending of states, first of all of those with a high military potential, assessing it as an efficient arms limitation measure, and as a way to save significant means and channel them to economic and social purposes of the respective states as well as of the developing countries.

The SR of Romania and the People's Republic of Bulgaria reasserted their firm decision to act jointly with the Warsaw Pact countries and with other socialist countries, and peace-loving, democratic, and progressive forces to strengthen peace, cooperation, and security in Europe and throughout the world.

The two party and state leaders hold the view that, in international relations, all the states should strictly apply the principles of respect for national sovereignty and independence, non-recourse to the threat and use of force, the inviolability of frontiers and territorial integrity, peaceful settlement of disputes, non-interference in domestic affairs, equality of rights and the other unanimously recognized norms of international relations. The policies of defamatory campaigns distorting realities in one country or another are inadmissible. Nothing can justify interference in the domestic affairs of states and peoples, or the promotion of state terrorism. Nobody should make attempts on the sovereign right that each person has to live and work in a social and political system of his own choice.

Comrade Nicolae Ceausescu and Comrade Todor Zhivkov advocate having positive results from the conclusion of the Stockholm Conference and want the Vienna negotiations and the Geneva disarmament conference to attain progress.

Romania and Bulgaria highlighted the need for the further development of bilateral cooperation among Balkan states and their multilateral cooperation in areas and on questions of common interest.

Romania and Bulgaria advocate the creation of nuclear-free zones and reassert their decision to actively cooperate in order to turn the Balkans into a region of good-neighbourliness and cooperation among the respective countries and a nuclear weapons-free region as well as to strengthen confidence and security. Romania and Bulgaria believe that the comprehensive dialogue started in Athens on this issue will continue as a further staging preparation for a summit meeting.

Comrade Nicolae Ceausescu and Comrade Todor Zhivkov advocate the total and general banning of chemical weapons and call for measures for halting their expansion and proliferation. In this context, they addressed an appeal to the heads of states and governments in the Balkan countries to turn the Balkans into a chemical weapons-free region. The two countries firmly advocate peaceful solutions, solely through negotiations, to all conflicts and disputes and stress the importance of the fact that the United Nations General Assembly -- upon Romania's initiative -- adopted a solemn appeal addressed to the countries which are in conflict, to immediately halt armed actions and solve their problems through negotiations. They also reasserted the importance of the pledge of the United Nations countries to solve tension, conflicts, and existing differences only through political means and to refrain from the use or threat of force and from any intervention in other countries' domestic affairs.

Romania and Bulgaria restate their solidarity with the fight of the peoples of Asia, Africa and Latin America against imperialism, colonialism, neocolonialism, racism and apartheid, for the strengthening of their independence. The two countries are of the opinion that the persisting and growing disparities in the economic development of many states -- as a result of the imperialist and neocolonialist policy of exploitation and oppression -- are against the interests of peace and security, and an essential factor of world economic and political instability. Related to that, they back the demands and efforts for the liquidation of underdevelopment, for a global settlement of the international economic problems -- including the very large external debts of the developing countries -- and for the implementation of a New International Economic Order on the basis of equal rights and equity in interstate relations.

The two countries advocate increasing the role of the United Nations in preserving peace and security throughout the world and in solving the problems confronting mankind.

Comrade Nicolae Ceausescu and Comrade Todor Zhivkov expressed their satisfaction with the fruitful talks and the results of the visit and expressed their firm belief that these results will contribute to the continuous development of the fraternal friendship and cooperation between the RCP and the BCP and between the SR of Romanan and the People's Republic of Bulgaria, fully in keeping with the fundamental aspirations of the two peoples, the cause of peace and socialism.

Comrade Todor Zhivkov, general secretary of the BCP Central Committee and president of the State Council of the People's Republic of Bulgaria addressed an invitation to Comrade Nicolae Ceausescu, RCP secretary general and president of the SR of Romania and Comrade Elena Ceausescu to pay a friendship visit to the People's Republic of Bulgaria. The invitation was accepted with pleasure.

SHULTZ VISIT UNDERSCORES IMPROVING U.S.-SFRY TIES

AU232138 Belgrade BORBA in Serbo-Croatian 19 Dec 85 p 2

[Slobodan Pavlovic report]

[Text] Three decades have passed since John Foster Dulles, then secretary of state in President Eisenhower's administration, flew to Brioni to meet with and talk to Tito as the first U.S. official of this caliber to establish contacts of that kind with free, Socialist Yugoslavia. Relations between the two countries, which were established during the years of the war alliance and which were disturbed afterward when the big power started to treat its proven war ally in an unacceptable way, have had their ups and downs since this meeting. From the 1970's onward, these relations have sailed into considerably calmer waters, whereby Yugoslavia and the United States strictly follow in their communications the principles of independence, mutual respect, and full equality of sovereign states, irrespective of the differences in their social, political, and economic systems and orientations.

These principles (which were confirmed in a joint statement after Tito's historic visit to Washington in 1971) have meanwhile successfully sustained all tests of time, bringing the two countries closer, and reconfirming themselves many times in the last 15 years or so as the lasting basis for their long-term and ever widening cooperation.

The 24-hour visit to Belgrade of Secretary of State George Shultz and his exchange of views with Radovan Vlajkovic, Milka Planinc, and his host Raif Dizdarevic, have created an opportunity for comprehensive discussions and new stimuli in the process of the constant improvement of relations between the SFRY and the United States. Today it is already possible to conclude that this opportunity has been fully exploited. This was among other things, confirmed by both secretaries in their toasts and in their press statements, and now time should show how two so different countries "can not only cooperate and develop together, but can work together for the good of humanity."

In addition, the Belgrade meetings have provided an opportunity for directly conveying to a participant in the recent Geneva summit the assessment of Yugoslavia that this was an event which revived the hope for establishing a course of relaxation and negotiations, a course that leads to a future of active and peace-loving coexistence of sovereign and independent states; a future of the world that will be based on universal detente and not on bloc divisions, competitions, and deals. It was absolutely fitting in that context to recall Tito's visionary speech at the UN General Assembly 20 years ago ("The interests of peace are broader than the interests of any one country or group of countries"), which is so inspirational and topical even today.

The furthering and the broadest development of Yugoslav-American interstate, political, scientific, and cultural cooperation is unfortunately not followed by a similar upward line on the graph showing economic relations between the two countries. On the contrary, this year's 10-month balance shows a 0.2 percent decrease in our exports and a 22.7 percent increase in our imports compared to last year, which, expressed in dollars, means an unfavorable difference of about $232 million. True, the Yugo car has in the meantime achieved full speed, but even that will not make Yugoslavia free itself by the end of 1985 from the burden of being -- like an entry in Ripley's "Believe It or Not" --the only country with which the United States does not have an unfavorable foreign trade balance this year!

GORBACHEV-LI PENG MEETING MAY LEAD TO NEW TIES

LD242119 Zagreb Domestic Service in Serbo-Croatian 1800 GMT 24 Dec 85

[Text] The news from Moscow that Mikhail Gorbachev, general secretary of the CPSU Central Committee, had talks yesterday with Li Peng, member of the Political Bureau and secretary of the Central Committee of the Chinese Communist Party (CCP), is the subject of analysis in many articles by news agencies. They surmise that there may be a move to renew relations between the CCP and the CPSU. This is the topic of our foreign political commentary. Here is Sonja Badel:

The Chinese and the Soviets are again presenting a puzzle to analysts of Sino-Soviet relations, as well as all those who are conscious of the importance of an improvement in relations between the two countries, who are keenly following everything that happens between Beijing and Moscow. There is no doubt whatsoever that the renewal of interparty relations after about 20 years would be an important step toward the normalization of relations, in view of the role that the two parties have in these countries. Neither in the Soviet nor in the Chinese communique on the meeting between Gorbachev and Li Peng are party relations mentioned at all. Nevertheless, some observers believe that Gorbachev would not even have had a meeting with the high-ranking Chinese party official, if there was no discussion of renewing party links. The Soviet news agency TASS leads one to this conclusion; it mentions first of all Li Peng's party functions and then his function as vice premier. The Chinese news agency XINHUA, however, does not mention party functions but merely says that the vice premier, Li Peng, who was travelling somewhere by way of Moscow, had a meeting with the Soviet leader and that this meeting is not to be viewed in the context of interparty relations.

There has been scant reporting on the subject matter of the talks between Gorbachev and Li Peng, so the content of the talks can lead to no reliable conclusions. An analysis of the formal side of the communique also fails to give reliable answers, because Gorbachev does not have talks with foreign statesmen exclusively on party relations, so this meeting could be only seen in the context of interstate relations. On the other hand, the very fact that the Chinese do not mention the party functions of Li Peng does not necessarily mean that there was no discussion of renewing party relations. Therefore, it can only be said with certainty that this meeting is a sign that the Sino-Soviet dialogue is continuing and that a solution is being sought for the complete normalization of relations. As for party links, not so long ago high-ranking Chinese personalities expressly denied the possibility of their being renewed, with the explanation that the Soviet Communist Party was in power and that it was responsible for the foreign policy of the country that in Chinese eyes, is hegemonistic in many aspects.

For years, the Chinese have made any kind of improvement in relations with the USSR conditional on changes in Soviet policy toward Afghanistan, Vietnam, and the Cambodian question, as well as military reductions along the border with China. Although these changes have not come about, the Chinese have consented to certain improvement which is most evident in economic relations and in cultural cooperation. It is not impossible that they now view differently the possibility of renewing party links. This could be brought about not only as a result of the normalization of relations between the two states, but as a result of the need for efforts toward normalization being stimulated in party cooperation, too. Also contributing to this cooperation are the better relations of China with Eastern European countries and the fact that with the parties of some of these countries, the CCP would, without problems, be able to renew relations even now.

But because of the existing order of things, this cannot be done until Chinese-Soviet party relations are normalized. It remains to be seen what the Chinese and Soviets will do for the so frequently expressed readiness for an improvement of relations, and not only in small moves in bilateral cooperation.

LCY CHIEF ZARKOVIC DEPARTS FOR VISIT TO INDIA

LD260809 Belgrade TANJUG Domestic Service in Serbo-Croatian 0750 GMT 26 Dec 85

[Text] Belgrade, 26 Dec (TANJUG) -- At the invitation of the Indian National Congress, Vidoje Zarkovic, president of the Presidium of the LCY Central Committee, left for Bombay where he will attend centenary celebrations of this party on behalf of the LCY. Stanislav Stojanovic, executive secretary of the Presidium of the LCY Central Committee, is also in the LCY delegation.

At Belgrade Airport the delegation was was seen off by Dusan Dragosavac, member of the Presidium of the LCY Central Committee; Lakhan Lal Mehrotra, Indian ambassador to Belgrade, was also present.

INTERNATIONAL AFFAIRS MINISTER CONTINUES VISIT TO IRAQ

Meets Saddam Husayn

LD251345 Belgrade TANJUG Domestic Service in Serbo-Croatian 1303 GMT 25 Dec 85

[Text] Baghdad, 25 Dec (TANJUG) -- In Baghdad today Iraqi President Saddam Husayn received Dobroslav Culafic, federal secretary for internal affairs. A positive assessment was made of the comprehensive bilateral cooperation between Iraq and Yugoslavia, and the possibilities for its further development were discussed during their talks. Culafic briefed President Husayn on the Yugoslav evaluation of the current situation in the Nonaligned Movement and on the preparations for the Harare summit. Saddam Husayn again pointed out the importance of successful bilateral cooperation as well as of cooperation in the Nonaligned Movement. According to him the two countries can significantly contribute to the intensification of this cooperation prior to the new summit conference.

Signs Protocol, Departs

LD251834 Belgrade TANJUG Domestic Service in Serbo-Croatian 1728 GMT 25 Dec 85

[Text] Baghdad, 25 Dec (TANJUG) -- Dobroslav Culafic, member of the Federal Executive Council and federal secretary for internal affairs, this evening left Baghdad where he was staying on a 3-day visit to Iraq. Culafic held talks with his host, Sadun Shakir Mahmud, member of the RCC [Revolution Command Council] and minister of interior, and was received by Saddam Husayn, president of the Republic of Iraq, and Taha Yasin Ramadan, first deputy prime minister.

Last night Culafic and Shakir Mahmud held final talks and signed a protocol on bilateral cooperation between Yugoslavia and Iraq in the field of internal affairs.

This afternoon, before leaving Baghdad, Culafic held talks with representatives of Yugoslav economic organizations engaged on the realization of projects in Iraq. After he had been briefed about their work, the member of the Federal Executive Council acquainted them with current sociopolitical and economic trends in Yugoslavia.

Dzevad Mujezinovic, Yugoslav ambassador to Baghdad, gave a formal dinner in honor of Dobroslav Culafic and his host Shakir Mahmud last night. The dinner was attended by members of delegations of both countries.

VLAJKOVIC STRESSES STABILIZATION PROGRAM

LD231915 Belgrade TANJUG Domestic Sercice in Serbo-Croatian 1058 GMT 23 Dec 85

[Text] Rijeka, 23 Dec (TANJUG) -- The complex socioeconomic situation in which our country finds itself and the great difficulties with which we are strug ig today sometimes distract our attention to such an extent that we do not notice ny work successes, stressed Radovan Vlajkovic, president of the SFRY Presidency on the occasion of the launching in Rijeka of the first domestic platform for off-shore oil and gas exploration named Labin. Such is the success of the workers who recently completed several months ahead of schedule Block B-2 of the Nikola Tesla thermoelectric power station in Obrenovac. There are similar examples in other areas of the country and they all deserve the greatest attention and greatest recognition, because they are proof that we have the creative forces for carrying out even the most complicated undertakings and for building on our policy of reliance on our own resources.

The goals of economic stabilization demand of us, Vlajkovic stressed, that we organize ourselves better and that we work better and more. At the same time we must motivate workers and all other creative forces to achieve greater productivity, greater production, and higher quality work. We must stimulate the development of our own science and technology, activate all capacities and sources to the maximum, and keep pace with the development of science and technology in the world. The long-term program of economic stabilization also commits us to the more rapid development of science and technology and their direct application in economic and social development.

Proceeding from precisely these tasks and from the seriousness and difficulty of the socioeconomic situation, the SFRY Presidency has made public its assessments and positions with the aim of mobilizing all social forces to act more decisively and conduct actions for the implementation of the policy of economic stabilization.

Our aim, Vlajkovic said, is to mobilize all factors in society -- from the federation, republics and provinces, to the municipalities and organizations of associated labor -- in order to carry out the policy and tasks which are set out in the long-term program of economic stabilization.

The SFRY Presidency has the constitutional duty and responsibility to involve itself in the manner demanded by the present situation. But it will demand that everyone else does so as well. In insisting on intensive cooperation and harmonized activity, which should guarantee decisive, effective, and timely activity by the competent organs at all levels, by all self-managing organizations and communities, and by all working people and citizens, we are proceeding on the assumption of joint responsibility in the present situation.

We have particularly noted the problems of adopting decisions on questions which are decided at the federal level with the agreement of the competent republican and provincial organs. Coordination of positions on the most important questions of an economic and systemic character or of development and current economic policy is slow and inefficient, which has serious negative consequences. And we all have a common responsibility for the successful functioning of the self-managing institutions of negotiating and agreement-reaching.

Although we have recently been emphasizing the responsibility of the Federal Executive Council for establishing good proposals as bases for the coordination of positions, we are not in any way neglecting the additional necessity of full responsibility of the republican and provincial organs for negotiating and reaching agreement on joint interests, Vlajkovic stressed. No one is disputing that in the course of the coordination of positions every interest should be respected, but there cannot be insistence at any cost on the acceptance of every one-sided interest at the expense of the common, all-Yugoslav, and thereby also the individual interest.

I also wish to emphasize, Vlajkovic said, that insistence on the efficiency of the coordination of interests does not in any way mean pressure to achieve agreement by bypassing constitutional procedures. We should all have a greater sense of the interests which are at any given moment of the greatest importance for all republics and provinces, that is for the whole country, and greater readiness to coordinate positions in order to achieve the common interest.

We should not forget, even when we have coordinated positions and reached agreement, that the real work still awaits us, warned Vlajkovic. The adoption of systemic laws and plan documents simply creates the conditions for the real activity in which we will implement the established policy and carry out the immmediate tasks.

This is why we have also pointed out the necessity for the more rapid solution of several major problems. The first and most important is curbing inflation. In the present situation this is the key economic and political task in the country. This is a strategic question of the policy of the socioeconomic development of the country; all other activities, all economic and other measures should be subordinated to this.

We can only make an about-face in a positive direction we direct our economic policy and all our efforts toward increasing production and the productivity of labor, the maximal involvement and use of all available capacity and human potential, and new and joint programs for export production. This is why we have placed in the forefront of our economic policy the effective implementation of those measures which will ensure that profitable and competitive production is stimulated and increased. These measures must be biased much more toward successful producers, those organizations and collectives which are carrying the economy forward and which, in the increasingly difficult competitive conditions on the world market, are succeeding in placing their products and realizing greater income from them. Such organization, linked together in joint development programs, will be an important factor for integration within Yugoslavia.

In the new medium-term period we must step out more boldly with new programs of production and exports which have development prospects and will satisfy all the criteria and demands of the world and domestic markets. And this, together with greater productivity, also means more rational management of the economy, greater savings and lower production costs. Only with this kind of production -- cheap and competitive -- can we successfully appear on the world market and keep up with the trends of technical and technological development, Vlajkovic emphasized.

We are convinced, Vlajkovic went on, that in our society forces exist that are capable of achieving a positive change. These are our working class whose strength lies in socialist self-management, the many as yet insufficiently exploited reserves and natural resources, and the educated cadres capable of the greatest undertakings.

The president of the SFRY Presidency then warned: It is clear that there is no time for hesitation. Each day lost can drag us into even deeper crisis.

This is why we must organize ourselves for rapid and effective action at all levels and in all environments, in all social and state municipalities, in organs and organizations, in the federation, republics and provinces, in the municipalities, in organizations of associated labor, and in all other self-managing organizations and communities.

By joint and coordinated activity, together with intensive mutual cooperation in implementing the agreed policies, and with the full activation of all institutions and potentials of society and the system, all working people and citizens -- we can count on success.

Turning then to the important activities pending in the coming year, Vlajkovic said: We are at the beginning of the public debate on the critical analysis of the political system of socialist self-management, which was drawn up on the initiative of the LC in the Federal Social Council for Questions Relating to the Social Order. We did not embark on a critical analysis of our political system in order to eliminate certain weaknesses of a technical, organizational nature, but rather so that the political system should serve working class interests, the further development of socialist self-management, and the equality of our nations and nationalities.

Precisely because of this we should not allow anyone, from any viewpoint whatsoever, to bring into question the foundations of our system of socialist self-management, the rule of the working class, the positions of the socialist republics and socialist autonomous provinces, their responsibility for their own and the common development, the leading role of the LCY, and our independence and nonaligned foreign policy.

And while we are determined in the defense of the bases on which our system is founded, we are also open to any changes which will mean its advancement on these bases.

This, Vlajkovic said, is the reply to those who meddle in our debates from dogmatic, bureaucratic, and statist positions, or from positions of bourgeois restoration. Their intentions are nothing but an attempt to create conditions for a counterrevolutionary change. This we will not allow.

The president of the SFRY Presidency then spoke about the arrival tomorrow of the first oil tanker from friendly and nonaligned Angola, where our work organizations have also been involved in research and exploitation. This, Vlajkovic assessed, is an example of the successful cooperation of two geographically remote countries which are also at different levels of socioeconomic development. This is encouraging and a concrete example of reliance on one's own resources, and an expression of the desire of the developing countries to achieve more rapidly, through mutual integration, the goals of their development programs. We are convinced, Vlajkovic stressed, that this cooperation with Angola will develop successfully in the future too, and that it will include other areas of economic relations as well.

Going on to speak about the importance of more comprehensive and closer economic cooperation with the developing countries, Radovan Vlajkovic assessed that the increasing gap in the economic and technological development of the developed and developing countries is the consequence of inequitable international economic relations and the continued lack of readiness on the part of the developed world to overcome, in their own interests as well, the existing inequalities, Vlajkovic emphasized.